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ABSTRACT

This discussion of the state/university relationship addresses the ways in which states and universities can achieve relationships that are constructive for both parties. The following chapters are presented: (1) "Choosing Quality" (includes policy, interest in quality, university role, trends in state/university relationships, and resources); (2) "The Nature of Appropriate Policy Versus Inappropriate Intrusion" (includes bureaucratic, ideological and political intrusion and the functioning of the university); (3) "The Causes of Inappropriate Intrusion" (includes growth of state involvement and of higher education, quality mandates, missions, prestige and power, geography, politics, governing boards, and multicampus systems); (4) "Creating a Positive Climate" (includes cutting back bureaucracy, incentive funding, trust and the governance structure); and (5) "What Is It That Matters?" (includes aspiration, tradition, leadership, and university, board, system and state roles and responsibilities). Appendices provide information on the state universities included in the study, recommendations to improve trustee selection, and two views of state university governance. Contains 66 references. (KM)

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CHOOSING QUALITY

Reducing Conflict Between The State And The University

by Frank Newman

HE 022 383

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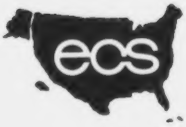

Education Commission of the States
1860 Lincoln Street,Suite 300
Denver, Colorado 80285

"As much as we might like to disbelieve allegations of intrusion of states upon university prerogatives, Frank Newman has now opened his chamber of horrors. Seeing what can actually happen should serve as a bulwark against additional unwarranted invasions of proper and essential university functions. This frightening wax museum gives little shivers of deja vu."

Kenneth H. Ashworth
Commissioner, Coordinating Board
Texas College and University System

"This book makes an excellent contribution to the literature on this topic. It has been quite some years since anyone has attempted to address the topic in a systematic way, and I can't recall of anyone attempting to deal more forthrightly with the issue of state intrusion."

Stanley Ikenberry, President
University of Illinois

"Through candid examples and analyses, this study offers guideposts for states and universities to achieve constructive relationships that can help to assure healthy and quality universities responsive to public priorities and public policy goals."

Norma Foreman Glasgow
Commissioner of Higher Education, Connecticut

"A 'must read' volume for anyone interested in how American public higher education can make quality its goal. This balanced report is a blueprint that will guide governors, legislators, governing boards, system CEOs and campus CEOs to work individually and jointly to achieve this lofty but necessary goal."

Robert L. Gale, President
Association of Governing Boards
of Universities and Colleges

"I'm pleased that *Choosing Quality* features prominently Ohio's success in stimulating excellence at our public colleges and universities. … Our strategy successfully blends the elected official's need to demonstrate accountability with the traditional academic value system of peer review. … Thus, we are achieving both academic excellence and public accountability."

Richard F. Celeste
Governor of Ohio

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Reducing Conflict Between The State And The University

by Frank Newman

September 1987

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In the preparation of this report, I have been greatly assisted by a panel of experts, experts in the best sense of the word according to Webster in that they have been "informed by experience" and "adept in masterly proficiency" — Harold Enarson, James Furman, Joseph Kauffman, Kenneth Mortimer and Donald Strauss. I owe a special debt to Dorothy Marshall, our admired and respected colleague who died during the later stages of this project, who was the original source of inspiration of the study and whose cheerful, no-nonsense manner helped us greatly in making our way through a complex subject.

We agreed that I would write the report and take the responsibility for the final decisions of what was said. If anyone is unhappy with the report's format, style or conclusions, they should address their complaints to me. However, the understanding and insight of the report would not have been possible without the panel's extensive deliberations. The term "we" used in the text is an acknowledgment of the extent to which their wisdom shaped its tone and content.

The report was also greatly shaped by the research teams who were able to ask the hard questions of state and university officials in ways that were gracious enough to elicit remarkably candid answers and were patient enough to sort through mounds of reports, articles, clippings and other sources. Members included Ann Spruill, Susan Young, Betty Johnson, Jennifer Afton and Rochelle Torscher. Aims McGuinness not only participated in the development of the report, but also has been instrumental in carrying this study to the states by meeting repeatedly with state and university leaders from coast to coast. Sherry Freeland Walker, Marci Reser and Anna West edited and produced this report.

James Mingle sat in on our discussions on frequent occasions and helped, as well, to identify individuals and studies that have turned out to be most useful. Clark Kerr and Marion Gade made available both their ideas and data from their extensive study of the university presidency. Robert Atwell, Russell Edgerton, Robert Gale, Stanley Ikenberry, Richard T. Ingram, Richard

Mills and Larry Pettit have been generous with their time and their understanding of the way that American higher education operates.

Most of all, I am appreciative of the time and candor of the hundreds of state and university officials who, in the best tradition of democratic governance, agreed that the subject was of importance and gave their testimony without reservation. When we began the study and made plain that we intended to examine the degree of inappropriate intrusion into state universities, I was warned repeatedly that the reaction would be hostility and evasiveness. That exactly the opposite has occurred is a tribute to the good will and to the aspiration to improve the quality of higher education on both sides of the state/university relationship.

Frank Newman

Frank Newman
President
Education Commission of the States

PROLOGUE

At the outset of this project, we held a somewhat simpler view of the state/university relationship — namely, that there is a tendency for states to intrude in the affairs of state universities and a need on the universities' part for greater autonomy. As we studied the issues, we found that the relationship is more complex. There is indeed a tendency for states to intrude and, in fact, for the universities to cause or invite that intrusion. **What becomes clear is that the real need is not simply for more autonomy but for a relationship between the university and the state that is constructive for both, built up over a long period of time by careful attention on the part of all parties.** Our purpose is to address how states and universities can achieve such constructive relationships.

What becomes clear is that the real need is not simply for more autonomy but for a relationship between the university and the state that is constructive for both, built up over a long period of time by careful attention on the part of all parties.

The decision to address this relationship grew out of discussions over the growing importance of state universities, the development of new forms of governance and the increasing concern that state efforts to manage universities were often counterproductive, preventing the very focus on quality that the public needs and that state government should want. From these discussions, we concluded that the nature of the relationship between the state and the state university was of critical importance and yet was imperfectly understood. The need was to address this relationship practically and not just theoretically. **How does the state actually interrelate with the state universities? How could this relationship be improved? What circumstances cause the failure of the state to achieve its goals and the diminishment of the quality and effectiveness of the university? What policies or strategies create a climate within which a state university will flourish?**

This project includes case studies of state/university relationships in a wide variety of states through interviews with governors, legislators, budget officers, auditors, legislative staff, governors' policy aides, university presidents and former presidents, board members, executive officers of coordinating and governing boards, university vice presidents and deans and other university officers. It also is based on a review of a great deal of literature about state governance of higher education, the most useful of which is noted in the bibliography, as well as meetings with many of the scholars that have produced this literature.

To limit the scope of the study, the project was focused on the major state universities. We estimate that there are approximately 100 of these, depending upon how one defines "major state university."[1] This is not to imply that the other state universities, the state colleges and the community colleges, to say nothing of the private colleges and universities, are not important — they are indeed. In fact, many of the individuals we talked to pointed out that perhaps the most serious state intrusion occurs in the affairs of the community colleges.[2] Also, it is critically important that the effectiveness of all higher education be improved, not just the few major state universities. For this to occur, the state must create rewards and incentives that allow each type of institution to aspire and flourish within its own mission.

However, the decision to focus on the major state universities was due to their importance — their land-grant outreach programs, their role in research and the economic and cultural development of the state, the professional education they undertake and their sheer size. More than 2 million students are enrolled in these universities, many at the graduate level. Their student bodies include a large share of students who will be filling the professional and managerial roles in society.

In addition, because of their visibility and prestige, these universities tend to play a leadership role within the academic community. The nature of their relationship with the states often sets the pattern for other state institutions. Usually, they have not only the greatest degree of autonomy, but also are the most determined to preserve that autonomy. It is the major state universities that most often have constitutionally guaranteed autonomy. Where constitutional autonomy covers an entire system including other types of colleges and universities, as has become more frequent in recent years, it is typically because the protection was extended from that initially granted the major university.[3]

While all state colleges and universities are critical to the preservation of freedom of thought and scholarship, certainly the major state universities are the most central. This does not mean, however, that all of the major state universities are alike. Even those that are of similar size and structure often have vastly different cultures and methods of operating. **Most important, they have a remarkably diverse array of relationships with their states, ranging from constructive partnerships that provide universities of a quality unmatched anywhere in the world to relationships of antagonism and mutual distrust that waste the taxpayers' money and prevent the development of universities of quality that such states urgently need.**

The nature of [the university's] relationship with the states often sets the pattern for other state institutions.

The term "university," as we use it, refers to a campus, not to a system of campuses. Despite the growth of multi-campus systems, the ultimate test as to whether the university is of high quality is whether the **campus** is of high quality. We have used the term "president" to refer to the chief officer of a campus and "chancellor" to refer to the chief officer of a system, though we recognize that in practice they are sometimes reversed.[4] In addition, for simplicity's sake, we refer frequently to the state university when, in fact, there are many states that have more than one major research university.

A study such as this suffers the obvious difficulty that there are few objective measures that deal with the nature of public policy and university/state relationships. While we have attempted to utilize such measures wherever they are available, we have been forced to use subjective judgments in, for example, assessing the amount of intrusion by the state into the university, the nature of that intrusion and the influence that it ultimately has on the quality of teaching and learning. To prevent the study from becoming overly abstract, we have turned again and again to examples or case studies that make plain the complexities, the risks, the dangers and the very personal nature of the relationships between the states and their universities. These cases, while they help improve the clarity and understanding of the argument, raise the question of how to deal with the naming of names. We have decided to follow the rule of praising in public and criticizing in private. Therefore, if the cases reflect favorably on the state or the university, they are named; where they reflect unfavorably, the cases are kept anonymous. Each example, however, is all too real. For each given, we have many more that make a similar point.[5]

It should be noted that even case studies have serious flaws. In almost all of the most illustrative cases, virtue is not entirely on one side. Most often, one is forced to concede that there are more than two sides, and most of the parties seem to be both partially right and partially wrong. Still, they do provide windows for insight into both inappropriate intrusion and appropriate public policy.

Past studies have done much to describe the structure through which states and higher education institutions relate.[6] We are concerned with both the formal structure and the actual nature of the relationships, with how the university and the state deal with each other on a daily basis. It is not enough to describe the structure of the typical governing board, for example, without trying to find out exactly how it governs in at least some of the states.

Above all, the purpose of the study is constructive — to encourage discussion, debate and improved understanding — all of which we hope will lead to universities of higher quality that better serve the people of their states.

XVI

NOTES

1. See Appendix 1 for the list of 101 university campuses that were considered the subject of this study.

2. Discussion with Clark Kerr. In discussions with the presidents for his report for the Commission on Strengthening Presidential Leadership, he concluded that the major research universities had the least intrusion and that intrusion was most likely through community college boards (Association of Governing Boards of Universities and Colleges, *Presidents Make a Difference: Strengthening Leadership in Colleges and Universities* [Washington, D.C.: AGB, 1984]).

3. Among the institutions included in our list of "major universities," 48 have constitutional status. Of these, 28 have protection by virtue of the constitutional status of the boards that govern them directly (the board of regents of Minnesota, for example) and 20 by virtue of being under a statewide consolidated governing board that has constitutional status (the Arizona Board of Regents or the board of regents for the University System of Georgia, for example).

   There are 10 states in which the statewide consolidated board for all senior institutions has constitutional status (Arizona, Georgia, Kansas, Idaho, Mississippi, Montana, Nevada, North Carolina, South Dakota and North Dakota). In these states, all public institutions, whether or not they are state universities, have some constitutional protection. In most other states, it is only the one or two state universities that have constitutional status. Exceptions include Arkansas, Louisiana, Michigan, New Mexico and Oklahoma — where most, if not all, senior institutions, whether university or not, have constitutional status.

   "Constitutional status" is not synonymous with "constitutional autonomy." First, the constitutional status of most state universities may be further delineated by state statute; in other words, the state legislature has extensive authority to define the legal status of the university even though the university has a certain status in the constitution. Second, even in those states such as Michigan where the constitution explicitly grants the universities autonomy, the meaning of that protection is defined over time both by court decisions and precedents in university/state relations. Third, as an extension of the last point, all state universities, whether constitutionally autonomous or not, are subject to actions of the legislature (also established by the constitution) in the budget and appropriations process. Over time, a university may find that it must sacrifice some autonomy to ensure legislative support for funding. Legislative use of the appropriations process to circumvent autonomy was the cause for court action in Michigan in which the legislative actions were ruled to violate the constitution. Of course, universities are reluctant to sue their legislatures.

Other mechanisms may be as effective as constitutional autonomy in providing a legal basis for university autonomy. For example, a number of universities (the University of Illinois, for example) are corporate entities separate and distinct from state agencies. This permits them to carry out a wide variety of functions (receiving, investing and allocating nonstate funding, entering into contracts, etc.) that could not be carried out independent of state controls without corporate status. Many universities have a foundation that serves as a vehicle to accomplish several of these functions. The University of Maryland receives a degree of exemption from state controls from a statutory College Autonomy Act, although the effect of this law has been reduced significantly in recent years. (See Lyman A. Glenny and Thomas K. Dalglish, *Public Universities, State Agencies and the Law: Constitutional Autonomy in Decline* [Berkeley: Center for Research and Development in Higher Education, 1973], for full discussion of legal and political background and implications of constitutional status.)

4. Stanley O. Ikenberry, president of the University of Illinois, has suggested that an analysis might reveal real differences as to when the terms "president" and "chancellor" are used (letter to Frank Newman, March 19, 1987). (See Appendix 3 for details.)

5. The information on which the unfavorable cases are based, however, is available to interested scholars.

6. In the course of this study, we benefited from an extensive review of the literature on state/university relations. Many of the works evolved from the period of dramatic expansion of both higher education and the state role of the 1960s and 1970s. The following works are noted in particular: Robert O. Berdahl, *Statewide Coordination of Higher Education* (Washington, D.C.: American Council on Education, 1971); reports of the Carnegie Commission on Higher Education, including *The Capitol and the Campus: State Responsibility for Postsecondary Education* (New York: McGraw-Hill, 1971), *Governance of Higher Education* (New York: McGraw-Hill, 1973), Eugene C. Lee and Frank M. Bowen, *The Multi-campus University: A Study of Academic Governance* (New York: McGraw-Hill, 1971); reports of the Carnegie Council on Policy Studies in Higher Education, including Eugene C. Lee and Frank M. Bowen, *Managing Multi-campus Systems* (San Francisco: Jossey-Bass Inc., Publishers, 1975), *The States and Higher Education: A Proud Past and a Vital Future*; reports of the Carnegie Foundation for the Advancement of Teaching, including *The Control of the Campus: A Report on the Governance of Higher Education* (Washington, D.C.: CFAT, 1982); works by Richard M. Millard while he was Education Commission of the States director of postsecondary services, including *State Boards of Higher Education* (Washington, D.C.: American Association of Higher Educa-

tion-ERIC, 1976); several studies and reports by John D. Millet, including his most recent work, *Conflict in Higher Education: State Government Coordination Versus Institutional Independence* (San Francisco: Jossey-Bass Inc., Publishers, 1984); ECS reports, including *Coordination or Chaos? Report of the Task Force on Coordination, Governance and Structure of Postsecondary Education* (Denver: ECS, 1973), *Accountability and Academe: A Report of the National Task Force on the Accountability of Higher Education to the State* (Denver: ECS, 1979), *Challenge: Coordination and Governance in the '80s* (Denver: ECS, 1980); works by Lyman A. Glenny, *Autonomy of Public Colleges: The Challenges of Coordination* (New York: McGraw-Hill, 1959), *Coordinating Higher Education for the '70s* (Berkeley: Center for Research and Development in Higher Education, 1971), *Statewide Coordination of Higher Education: The Modern Concept* (Denver: State Higher Education Executive Officers, 1985); and the report of the Sloan Commission on Government and Higher Education, *A Program for Renewed Partnership* (Cambridge, Mass.: Ballinger Publishing Company, 1980).

I. CHOOSING QUALITY

In the United States, the state university is the embodiment of many of the public's ideals — opportunity through education for our sons and daughters, progress through research and knowledge, the enhancement of the cultural environment of the state, the responsibility to be of service to society. To be effective at these aims, the university must succeed in two dimensions: It must be skilled in the arts of education and research, and it must be responsive to the public's needs. Since the earliest foundings of state universities, their importance has been clear to state governments and to the public at large. Today, however, there is a more intense interest in their quality than ever before. **In a world of growing economic competition and social complexity, it is the university to which the state turns for assistance.**

But, in achieving quality, it matters a great deal how states and universities interact. Their relationship directly affects the level of quality of the university. Yet the nature of the interaction is not foreordained or fixed in the stars. It is, rather, a matter of will, a result of conscious decisions; and it can be changed if states and universities make up their minds to change it. In many states, it **should** be changed, for it inhibits the future of both the university and the state. Today, in a number of states, it is changing as a result of purposeful steps by determined leaders.

In a simpler age, it was less difficult and even less important to have an effective relationship. Today, when state universities are large, their governance structure complex and their role in the state so significant, the most serious thought is required. What can state governments and state universities do to create the optimal conditions that cause a university of high quality to flourish?

APPROPRIATE PUBLIC POLICY VERSUS INAPPROPRIATE INTRUSION

It is not unusual to hear, within the university walls, the argument that the state has no proper role with regard to the university beyond providing adequate funding. This is wrong. The state has an essential role to play in the functioning of the state university. Appropriate public policy is needed not only to ensure accountability but also to create a climate that nurtures aspiration. A constantly evolving state policy is needed as a force for change.

But the state must also avoid inappropriate intrusion into the university — intrusion that stifles or impedes the quality and hampers the responsiveness of the university. **At its best, the relationship between the state and the state university is an appropriate effort by those elected and appointed to state office to set goals, allocate resources, hold accountable and encourage those who govern the state university.** We have called this **appropriate public policy. Inappropriate intrusion is characterized by attempts by those in state government (or the university) to interfere with the operation of the university either to serve ends that are questionable in themselves or to serve ends that may or may not be appropriate through means that are questionable.** We have characterized three forms of such intrusion.

- **Bureaucratic** — the accumulated weight of unnecessary or counterproductive regulations, which is the most common form of inappropriate intrusion
- **Political** — the exercise of raw political power for self-interest rather than public interest, which is an important deterrent to quality in a minority of states
- **Ideological** — the attempt to impede university activity on ideological grounds, which now seldom occurs as a result of state actions

The university's role in creating an appropriate relationship is equally important. University leadership in striving for quality is essential. But some universities regularly **invite** inappropriate intrusion. Universities must avoid:

- End runs of the governance process to achieve campus goals
- Institutional ambitions that run counter to the agreed institutional mission
- Failure to address appropriate state needs in a timely manner
- Self-limitation, as has occurred most notably in ideological intrusion, where it is the university itself rather than the state that tends to limit the freedom of discussion on the campus

For all of the difficulty in creating an effective relationship, for all of the abuses (many of which will be documented in the following chapters), the result of public policy over the years has been the creation and nurturing of a remarkable number of state universities of high quality. We have not attempted a systematic comparison of the American model of governance with its counterparts elsewhere in the developed world. Nevertheless, we believe that the state universities in this country are far more intimately involved in the economic and cultural development of their communities than are the public universities of Europe and the Far East. Despite the closeness of this involvement, governmental supervision here has managed to be both more effective as a force for change, more skillful at preventing an overfocus on institutional self-interest and more careful about providing the flexibility that we perceive as essential.

The result is that, at their best, our state universities are the finest in the world.[1] But the issue is not whether **some** state universities in this country are the best public institutions in the world. It is whether **all** state universities can and should — even must — be more rigorous, more effective, more involved to meet the increasing needs of American society in a world that becomes ever more competitive and complex.

THE NEW INTEREST IN THE QUALITY OF STATE UNIVERSITIES

The indispensability of a system of higher education of the highest possible quality has been the subject of renewed public attention. In 1985, 38 state-of-the-state addresses by governors cited economic development as a top state priority. In every case, this was directly linked to a recognized dependence on higher education. Recently, former Texas Governor Mark White argued:

> "We are very aware in Texas at this moment that the future holds increasing career and job opportunities which are accessible only through a high level of education and training. The recent loss of oil-related jobs ... is a clear warning sign that the strength and progress of our economy must be driven in the future by some other resource. In Texas today, we know what that resource is. We know that education is the oil and gas of our future — the 'master link' in the drive chain of America's future competitiveness is a population of well-educated people."[2]

Iowa Governor Terry Branstad, arguing for an ambitious program to improve education at all levels to meet the challenge of the farm crisis, pointed out:

> "We have to improve our education system and diversify our economy to survive."[3]

Former Governor Richard Lamm of Colorado noted:

> "The state that is second best educationally will be second best economically."[4]

His successor, Governor Roy Romer, in his first state-of-the-state speech, said:

> "If we are to prepare for Colorado's future, we must make a stronger investment in higher education. Our economic prosperity will be more dependent upon our skill levels than our resource base."[5]

Where the vision is lacking, that too is noted. A newspaper in a capital city lamented that its state did not have the necessary sense of purpose and that the resulting drain of talent out of the state was significant.

"There's frustrating irony for [our state] since much of the loss of talent has been to [another nearby state]. Smacked by recession beginning in 1981, the state now struggles for economic development. But its budget for higher education has been whacked so badly that faculty salaries — especially in the research realm that corporations watch — have sagged far below the competition."

"The state that is second best educationally will be second best economically."
Former Colorado Governor Richard Lamm

A study conducted for the Joint Economic Committee of the U.S. Congress on ways to foster the university role in economic development concluded:

> "In an extraordinary number of cases, a university played a major role in the history of the companies that have chosen to relocate."[6]

One result has been a new determination in many states to exploit the university's abilities for economic development. This is occurring through such specific arrangements as the industry-university consortia in states such as Ohio, North Carolina, Texas, California, Rhode Island and Pennsylvania.[7]

This is not a new concern — or a new response. In fact, as far back as 1862, the Congress recognized the importance of colleges and universities to local economic development by passing the Morrill Acts. These established the first land-grant colleges by calling for the:

> "... endowment, support and maintenance of at least one college in each state where the leading object shall be ... to teach such branches of learning as are related to agriculture and the mechanic arts ... in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life."

Specific sums of money were also outlined.

> ... "[T]o be applied only to instruction in agriculture, the mechanic arts, the English language and the various branches of mathematical, physical, natural and economic science, with special reference to their applications in the industries of life. ..."[8]

The current attention to economic development is a new and accelerated version of this well-established concept. Americans should be aware, however, that this is a subject of increasing concern abroad as well. In our industrialized competitors, such as Canada, France, Japan, West Germany, Spain, Australia and Korea, the university's role in economic development has become a subject of intense public debate.[9]

UNDERSTANDING THE BROADER ROLE OF THE STATE UNIVERSITY

The value of the universities to the states is far greater than their role in economic development, as important as that is. There is a danger that the current emphasis on economic development will cause states to lose sight of the role that the major state university plays in enhancing the functioning of democracy. In this regard, the university educates those most likely to be society's leaders, serves as an open forum for ideas, encourages social mobility and advances knowledge through research and through the cultural development of the statewide community.

An editorial in one state's major newspaper, in support of increased salaries for faculty, cited the following rationale:

> "Legislators, who must approve the [university] budget, often fail to perceive that the university is a business. Its profits, rather than measured in dollars returned on dollars spent, are found in the graduation of productive students who contribute to the state's economy and culture. They are found in business lured to [the major cities] because of the existence of a good university. They are found in students who come here because of the existence of good teachers and high-quality programs. They are found in research and cultural undertakings that improve the overall quality of life in [the state]."

As every aspect of the state's affairs becomes steadily more complex, from economic development and protection of the environment to better health care and the integration of a more diverse population, the demand for a more effective university also grows. This leads to an interesting question: How do we distinguish between the reasons for which it is appropriate for society to use the university and those for which it is inappropriate? As the university becomes more central and more powerful, the occasions and the purposes for which people wish to use it grow as well. What are the distinguishing characteristics for what is appropriate? What are the limits?

If state leaders are concerned about the scholastic abilities of high school seniors, should they mandate university admission standards? If they are concerned about South Africa, should they press the university to divest? If they are concerned about health care among new immigrants, should they press for a new medical school admissions policy? We conclude that no simple formula will answer these questions, but adherence to the principles put forward in Chapter V will help to illuminate the boundaries.

THE TREND IN STATE/UNIVERSITY RELATIONSHIPS

At the very time when the country is concerned anew about the importance of public universities, relationships between states and their public universities are becoming more complex. More often than not, the relationship is ambiguous and, in a number of cases, deteriorating. The picture is not all bleak. In some states, the relationship is constructive. In others — Ohio, New Jersey, Missouri, Tennessee — a concern for the importance of the university has led to new and innovative mechanisms intended to foster an improvement in the quality of the university (see Chapter III).

Over the last five years, all 50 states have had some form of commission or blue-ribbon committee that has examined the state's future. All have identified the quality of higher education as a key ingredient. In 1986 and 1987, at least a dozen states were engaged in statewide studies related directly to improving the governance of their universities.[10] Similar studies have been completed in seven states since January 1985.[11]

The major concerns in these studies were:

- Duplication and conflict between two or more institutions
- Conflicts between the aspirations of urban areas and the destinies of more remotely located land-grant universities
- Conflicts about the future of high-cost graduate and professional programs
- Concern over too many institutions in a state and particularly proposals to change the missions or close isolated institutions
- Problems with the effectiveness of various boards
- Concern over the effectiveness of institutional leadership[12]

There is, however, no easy way to characterize the trend of university/state relationships. In some states, they have become less effective. In others, they are improving. **At a time when an effective relationship is known to be critically important, we should remember that we have much to learn, that there are 50 different approaches and no "typical" state.**

Recognizing the importance of the role of the state university, how then can the state government encourage the effectiveness of these institutions? How can the state ensure that its purposes and goals are being met by the universities? One would expect that this is, at least in part, a function of structure — the form of governance that the state uses for the state university. But, as we have come to realize, it goes far beyond just the organizational chart. Almost all state universities use the same internal organizational structure. Most states use one of only three forms of external structure to govern their universities — consolidated governing boards, multi-campus systems, coordinating boards — or some combination of these.[13] Yet, even where the same structures are used, the state/university relationship varies from excellent to terrible.

More than structure, effective state/university relations are a function of the web of understandings between individuals and between organizations. In some states, this web of understandings, or tradition, is such that every issue becomes the new battleground for the next round of invective and competitive maneuvers. In others, the tradition is so constructive that a positive approach is ensured even in the face of ever-changing political environments or difficult problems. **A carefully constructed relationship that balances both accountability and autonomy and that recognizes that the university is by its very nature profoundly different from other state agencies is required for the university to succeed.**

THE UNUSUAL NATURE OF THE UNIVERSITY AS A STATE AGENCY

Autonomy and flexibility are important because they enhance the university's critical functions. The process of teaching and learning, as well as free and unfettered scholarship, requires the university to have a degree of difference and separation from the regular process of government. The importance of this has been recognized since the founding of the first American universities. In many countries, this freedom from control is a constant cause of suspicion, and when the ability to tolerate the unique role of the university decays, as we have seen recently in Poland or with unfortunate regularity in much of Latin America, conflict ensues. But when universities of quality are needed, as the Chinese, for example, found after the Cultural Revolution, some buffering from the political system must be restored. The American approach has been to provide separation through a lay board of trustees and often through a legislated or constitutional provision of autonomy.

Left totally to its own, the university will evolve toward self-interest rather than public interest.

An essential part of the quality of the university is the quality of teaching and research. The nature of teaching and learning and of scholarship and research depends on the environment within which they take place. It must be an environment conducive to creativity and risk-taking. Today, throughout American society, from fast food companies to automobile plants, there is a new recognition that a successful organization must release the latent creativity and desire to excel in its employees. Surely no organization matches the university in its need for creativity and self-motivation. Doing this requires a certain degree of free rein for both the faculty and students.

The autonomy of the university is also important because of its effect on the nature of free inquiry in a democratic society — a key point in the difference between the university and other agencies of the state government. Here is how Governor Thomas H. Kean of New Jersey described this need.

> "…[B]oth academics and statesmen have long recognized that one of the guarantors of freedom itself is the freedom of inquiry which the university must, by its very nature, espouse. It follows that the autonomy of the university, i.e., its ability to govern itself and to protect itself from

> external pressure and manipulation, is an essential condition of its very existence. In fact, the institutional support of academic freedom is so important that it can truly be said that the academic community cannot be free if the institution is not free."[13]

Although a significant degree of independence is essential, a constructive relationship recognizes the need for a system of checks and balances. **Left totally to its own, the university will evolve toward self-interest rather than public interest**. The state must, therefore, act as a constructive force. On the other hand, the state should leave the university the discretion to meet the state's overall goals by means developed on campus. The governance system must therefore encourage accountability as well as needed change while preserving the essential traditional values.

External forces, often represented by the state or federal government, have been the catalyst for many, if not most, of the major changes that have occurred in American higher education. This includes the land-grant movement, the post-war emphasis on research, the development of the community college, openness to women and minority students and the current concern for economic development. **The university needs a considerable degree of autonomy and flexibility so that it has the freedom to teach and research without politicized interference, so that creativity and imagination are encouraged and so that resources (including the time and energy of faculty, staff and students) are used efficiently**. The university also needs the involvement of the state as a force for meeting the public's needs, as a force for change and as a force for accountability. The problem, therefore, is not to eliminate the state's role, but to perfect it.

THE GROWING CONCERN ABOUT THE RELATIONSHIP

There can be either an upward spiral in which there is gradual development of trust on the part of both parties in each other and in which the quality of the university improves, or there can be a downward spiral of less trust and of gradual deterioration in the relationship and ultimately in university quality. One legislator described this process in his state.

> "In the last few months, a number of world-class scholars have left our university for greener academic pastures. . . . A casual observer might conclude that the state ... seems to have lost interest in higher education. The real problem, however, is not lack of interest, but lack of understanding. Specifically, our government appears to misunderstand the mission of a university and the need for autonomy.
>
> A university is not just like any other governmental agency. It is part of an international community. Its mission is not focused on the state per se, but on the pursuit, discovery, transmission of knowledge. Knowledge cannot be readily confined. A university's contribution to the state is to carry out its mission while being a part of the state's community, and by

> training the intellects of the state's people. By hosting a university, we are participants and beneficiaries of the pursuit of knowledge.
>
> The harsh fact that our state government has forgotten is that there are no great universities run by governors or budget analysts or legislators. There are no great centers of learning that are forced to submit to the open mistrust and control that we think are appropriate in this state. . . ."

In the interviews that we conducted, **there is a perception that the involvement of the state into the affairs of the university is growing.** To allow a bureaucratic stultification and loss of vitality to occur in the public universities would be a national tragedy. Yet more and more observers are concerned.

> "There is a growing fear on the part of academe that government has become too intrusive into campus matters and that it provides a real threat to academic freedom."[15]

> "[The calls] ... for accountability from governors and legislators have increased significantly in recent years. . . ."[16]

> "In the 1970s, growth slowed and budgets tightened in many states. Avoiding duplication became an urgent new priority even though no one seemed quite sure where the surgery should begin or end. . . . State budget officers and legislative oversight committees tightened their control over fiscal and administrative responsibilities traditionally controlled by presidents, vice presidents and deans. State coordinating officers turned to the review of academic programs, a function historically controlled by faculties and accrediting associations."[17]

A variety of reasons account for the growth of this activism (see Chapter III). But the result is that, just when the United States is increasingly challenged by a more competitive and complex world, there is also new concern over the relationship between the state and the state university.

THE MEASUREMENT OF QUALITY

Although there appears to be a close relationship between the autonomy and flexibility accorded a public university by the state and the quality of that university, it is difficult to prove. This relationship eludes quantitative measurement, yet it is widely acknowledged.[18] In addition, it also appears to work in the other direction as well — quality leads to more autonomy and flexibility. As part of an attempt to measure the quality of state universities and compare this to their relationships with their states, we asked university presidents throughout the country: "If you could be the president at any state university in the country (ignoring geographic appeal), where would you go and why?" Only a handful of campuses were named again and again: the University of California at Berkeley, the University of Michigan, the University of Illinois at Champaign-Urbana and the University of Minnesota. Also named repeatedly, though less frequently, were the University of Washington, the University of California at Los Angeles and the University of Virginia.

The reasons were almost always identical — their perceived quality and their ability to function with a high degree of autonomy that allows the maintenance of that quality. Interestingly, a number of campuses were cited with qualifiers because of relatively recent changes in the operational environment which were thought to be detrimental — for example, the University of Wisconsin at Madison — "A great campus but with an increasingly bureaucratic system" (however, see Chapter IV for the governor's proposal to address this issue); or the University of North Carolina at Chapel Hill — "Terrific campus. But, will life be different without [recently retired president] Bill Friday?"

> ***"The harsh fact that our state government has forgotten is that there are no great universities run by governors or budget analysts or legislators."***
>
> State legislator

These same institutions show up on the other measures of quality that are available: the ratings of graduate and undergraduate programs by educational associations, the National Science Foundation rankings of institutions by the number of competitive research grants awarded and even the rankings by popular magazines. Each of these ranking systems has its flaws, but taken together, they represent a rough but reasonable ranking.[19] **Despite the difficulties of measurement, one can say with certainty that those universities ranked at the high-quality end have developed an effective relationship with their state that includes substantial flexibility. Conversely, in those states where the relationship is poor, so always is university quality.**

THE ROLE OF RESOURCES

Factors other than the state/university relationship are also essential in achieving a high-quality university. Most notable among these is resources. As is true in comparing the more abstract concepts of quality or autonomy, comparing resources across universities is not simple. While per-capita expenditures on instruction, for example, may seem easy enough to compare, in practice they are not. University revenues and expenditures are affected by the presence of different types of professional schools (e.g., medical schools are far more costly than law schools), cost-of-living differences, retention of tuition dollars, treatment of capital expenditures, income from endowment and gifts. These are only a few of the factors that make relative costs hard to compute. Still, we attempted to measure at least the approximate relationship between use of resources and the quality of the universities.

Only a fool would argue that resources are unimportant. Most of the best universities are at the high end of the scale in resources, and most of the lesser universities are at the low end. Yet there are universities with seemingly large per-capita expenditures that are mired in mediocrity or, worse yet, poor quality. A number of universities of excellent and growing quality, such as Utah, Vermont and Virginia, operate with fewer financial resources than one might expect.

It is essential to note that this should **not** be construed as an argument that quality can be achieved without the necessary funding. All universities need resources. Even those noted above need resources to address critical problems.[20] The point is that there needs to be an open discussion both about money and about creating a climate of aspiration and effort that maximizes the results of those expenditures. Resources are essential, but they are not a guarantee of quality.

The central issue that will determine the quality of a university is the success of its relationship with the state, not just its resources.

THE NATURE OF THE RELATIONSHIP

From our experience in this study, we can draw a number of conclusions about the nature of that relationship.

- It is not the case that the university is good and that the state is bad. **States do, indeed, intrude inappropriately — and far too frequently; however, the university is itself often the direct cause of inappropriate intrusion.**
- It is common to think of the relationship between the state and university in terms of a single spectrum with university autonomy at one end and state control or accountability at the other. In this model, the primary policy decision deals with how far toward either end of the spectrum the actual relationship should be placed. We found this model not only inaccurate but misleading. Rather, one should realize that **the university and the state have different roles**. A critical question of public policy is how do the university and the state work together so that the appropriate role of each is enhanced?
- The state role is essential. Not only is the state an essential force for accountability and for the assurance that the university will meet the public interest, but it is clear from the history of American higher education that external forces are essential to encourage change within the university. Often, the most important changes have come about because of state or federal action. **We need, therefore, a strong but appropriate state role.**
- There is a tendency to think in terms of the state and of the university as two distinct entities separated by a no-man's land. They lob budget requests and accountability demands back and forth with periodic sallies by state personnel into the affairs of the university — sallies that would be called inappropriate intrusiveness. This model is far too simplistic. **In**

the past 35 years, the no-man's land between the state and the university has been filled by an array of coordinating boards, governing boards and multi-campus systems. It is no longer simple to describe where the state ends and the university begins. This complicates the concept of a separate role for each. As a result, the interaction between them is often misunderstood, and the policy planning necessary for making systems or boards a success is absent.

- **Questions about the state/university relationship often are treated simplistically, but they are remarkably complex.** The same issue looks quite different to different people even when they have been involved in the same meetings and discussions. There is usually a gray area between the obvious right and the obvious wrong. It is hard to find objective measures by which inappropriate intrusion can be described. As a consequence, the creation of an effective relationship is not a matter of following a simple set of guidelines or eliminating a set of intrusive behaviors that can be readily described.
- **States and universities can do a better job in their interaction.** It is a matter of mutual determination. Both the state and the university can do much to help build a constructive relationship, or they can do much to subvert the relationship. In some states, the relationship enhances the quality of the university, and in others, it stifles the university.

WHAT CAN BE DONE?

If the relationship between the state and university is complex and not easily described or measured, can increasingly effective relationships be encouraged and negative ones reversed? **We conclude that much can be done. No state lacks the capacity to have a state university of high quality.** We find no compelling reason why all of the 50 states and the approximately 100 universities that we have included in this study cannot work effectively to achieve much higher levels of quality, greater accountability and increased levels of service to the state.[21] The benefit to the states and to the country would be enormous.

The aspiration to have high-quality universities is absent in . . . at least half of the states.

It is clear that the purpose should not be to create autonomy for the convenience of those who administer the university. **Rather, the purpose is to create mutually supportive relationships that enhance the quality, the efficiency and the responsiveness of the university to the appropriate state need.** In this regard, the way the governance system is used is clearly important.[22] To quote a former president of a major state university and student of governance:

> "The growth of ... cooperation [between higher education and government] will be dependent on two things: first, the climate of opinion ... , second, the availability of practical machinery to encourage cooperation. [It] rarely just happens."[23]

What is it that makes the difference? We have found that the following three characteristics are the most important:

- **Aspiration** — the visible, living and breathing determination of those within the state — in the state government, in the university and in the public — to create a state university that is truly of high quality, of appropriate mission and of public service.
- **Tradition** — the gradual development, over long periods of time, of an understanding about the nature of the university, its relationship with the state and the nature of the working relationship and responsibilities among the many people involved.
- **Leadership** — the capacity of individuals in the university and state government to provide not just effective management, but vision, and to exercise their powers wisely and with courage. Essential in this is state government and board support for institutionally led risk-taking so that those leaders willing to take the difficult and often unpopular steps that lead to quality will be encouraged. Both political and academic leaders must sacrifice short-term gains with their constituents for long-term progress.

As straightforward as these points may seem, we have come to them only after a great deal of study. Aspiration is perhaps the most critical because it is the wellspring of the others. That it is essential does not, upon reflection, seem to us surprising. **But the aspiration to have high-quality universities is absent in a remarkable number of cases we studied — we would argue that it is absent in at least half of the states.** This is hard to imagine, but it is so. Where it is absent, so is quality and even the promise of quality in the future.

Achieving significant progress on this front requires a candid public discussion. States and their universities need to examine — together — the actual relationship they have with each other; the real incentives that affect the behavior of leaders; and the roles that are played by the state, the board, the chancellor and the presidents. Then they must ask themselves if they can find more effective approaches.

There is an urgent need for debate about how to make the state role more thoughtful. U.S. Senator Terry Sanford (N.C.) once said, "More universities probably have been harmed through political indifference than through political interference." There is a need for those in office, both in the state governments and in the universities, to address openly and carefully the workings of the system that is now in place, the incentives that they encounter as they go about their work and the constituencies with whom they must deal.

Such a discussion is complicated by the obvious fact that the parties to it are in a daily working relationship with one another, yet we believe the subject can and must be aired. **Given the importance of the state university, we deserve and should expect no less. Put simply, inappropriate intrusion is a barrier to progress and a barrier that we cannot now afford.**

NOTES

1. International comparisons are inherently difficult, but some help can be gained from the following works: Barbara B. Burn et al., *Higher Education in Nine Countries: A Comparative Study of Colleges and Universities Abroad*, a report prepared for the Carnegie Commission on Higher Education (New York: McGraw-Hill, 1971); Stephen K. Bailey, ed., *Higher Education in the World Community* (Washington, D.C.: American Council on Education [ACE], 1977); Barbara B. Burn, *Expanding the International Dimension of Higher Education* (Berkeley, Calif.: Carnegie Council on Policy Studies in Higher Education, 1980); Philip G. Altbach, *Comparative Higher Education* (London: Mansell, 1979) and *Comparative University Reform* (Washington, D.C.: American Association of Higher Education, 1981); Burton R. Clark, ed., *The Higher Education System: Academic Organization in Cross-National Perspective* (Berkeley: The University of California Press, 1983), *Perspectives on Higher Education: Eight Disciplinary and Comparative Views* (Berkeley: University of California Press, 1984) and *The School and the University: An International Perspective* (Berkeley: The University of California Press, 1985); Maurice Kogan, "Government and Higher Education: The Legitimacy of Intervention: The British Experience," paper presented at the Higher Education Conference, Ontario Institute for Studies on Education, October 1986. In addition, the Carnegie Council on Policy Studies, the International Council for Educational Development, the European Cultural Foundation and the Organisation for Economic Cooperation and Development have all published extensive comparative studies in higher education. The lack of an effective government/university relationship has been particularly dangerous for European universities in the last two decades as European governments have tended to overrun university autonomy to reach broader social and economic goals. The recent transformation of the University Grants Committee in Britain or the U68 Reform in Sweden are examples.
2. Remarks to the Steering Committee of the Education Commission of the States, San Antonio, Texas, April 4, 1986.

3. Governor Terry Branstad, quoted by *Washington Post* columnist David Broder in *The Denver Post*, February 26, 1987.

4. The Colorado Springs *Sun*, June 24, 1984.

5. State-of-the-state speech, January 1987.

   Also, on January 9, 1987, the Colorado Association of Commerce and Industry, a private business group, presented the *Blueprint for Colorado* to the governor and legislative leaders. The document proposes a sweeping array of programs to bring the state out of its economic woes. Included in the plan are recommendations for higher education.

   "One of the most expensive categories in the blueprint, higher education, would receive a proposed increase in annual funding of more than $28 million to improve college and university degree programs, expand research and training in computer engineering and develop 'centers of excellence' in space sciences, biotechnology and mining systems.

   The blueprint's heavy emphasis on increased funding of undergraduate degree programs — up to $20 million — is a result of projections that show the bulk of new business and industry locating in Colorado will be small businesses and service industries that depend on employees with bachelor-degree-level educations" *(The Denver Post*, January 8, 1987).

   Higher education leaders have also argued this frequently. As one example, the chancellor of the Oregon State System of Higher Education, William ("Bud") Davis, in a December 12, 1985, speech declared that:

   "Oregon's economy is in transition ... [changing from one] that is highly dependent upon natural resources to one that is more diversified. . . . Science and technical training are becoming increasingly important. University research plays a vital role in our state's economy. Annually, our universities attract over $125 million in gifts, grants and contracts that are spent employing people and purchasing goods and services in local economies. Research conducted at the agricultural experiment stations has resulted in [increased] productivity and value of Oregon agriculture. Forest products research has also increased the growth of Oregon's forests. Marine science research has enhanced the productivity of our coastal industries. Basic and applied research in electrical engineering and robotics seeks to sustain our growing microelectronics industries. Recent developments in genetic engineering and the biological sciences and the application of new technology to human health care have the potential of producing many new jobs in this state and across the country.

   [We need] a strong partnership between higher education, state government and business and industry to identify the desired goals, organize the resources and deliver the programs. . . ."

6. *Location of High Technology Firms and Regional Economic Development*, staff report for the Subcommittee on Monetary and Fiscal Policy (Washington, D.C.: U.S. Government Printing Office, 1982), p. 51.

States recognize the value of quality education and boast about it publicly. For example, literature published by the state of California contains the following: "We spend more money on education — at all levels — than any other state. . . . Our graduate schools lead the nation in the fields most critical to growth. . . . Want to see your business take off? Write the California Department of Commerce." (State of California, Department of Commerce).

Oklahoma's Department of Economic Development advertises that college-bound Oklahoma students test well above the national average and that the state mandates improved teacher education, a reduction in class size and extensive student testing. (Oklahoma "The Profitable Place to Be" Campaign, Oklahoma Department of Economic Development, Suite 303, PO Box 53424, State Capitol Station, Oklahoma City, Oklahoma 73152).

Rhode Island Governor Edward DiPrete made his state's stand on this issue clear during a speech in which he declared, "It is imperative that we act to develop and attract the growth industries of the future and to cultivate a work force with the education, skills and training required to meet the challenge of tomorrow's economy." Among other programs, he announced that his administration was seeking $1 million to expand the Rhode Island Partnership for Science and Technology, a "unique partnership between business and government and . . . the rich resources we have in our state's educational facilities . . ." (speech to the Rhode Island Public Expenditure Council's annual dinner, October 8, 1986).

Illinois initiated a variety of programs that utilize the resources of higher education to attract business to the state. Two of these are the Illinois Resource Network, "a computerized data bank of university faculty available to work with industry on joint research projects or for general consultation" and "technology commercialization centers, located at eight universities around the state to help faculty commercialize ideas and assist companies to develop their products . . ." ("Pieces of a High-Tech Puzzle," *The Chicago Tribune*, December 16, 1985).

The chairman of the Nevada Board of Regents stated: "We know industry that is relocating is interested in our higher education system." To inform and attract industry decision makers, therefore, the University of Nevada chancellor at the time estimated that he spent two-thirds of his time courting them with the full support of the board ("Bersi Courts Industry For State," *Las Vegas Review Journal*, February 8, 1985).

7. For a fuller description, see James Botkin and Dan Dimancescu, *The New Alliance: America's Research and Development Consortia* (Cambridge, Mass.: Ballinger Publishing Company, 1986).

Some examples are: the Microelectronics Center in North Carolina, the Microelectronic and Computer Technology Corporation in Texas, the Robotics Institute at Carnegie Mellon, the Center for Integrated Systems in California and the Thomas Edison Program in Ohio. These programs make it possible for companies to tap into the vast pools of talent and knowledge that universities represent for high-tech research much more cost-effectively than if they did the research on their own. Hopefully, they will engage in technology transfer to benefit a variety of industries and sectors of the economy.

A particularly good example of a consortium working well is the Manufacturing Engineering Applications Center (MEAC) at the Worchester Polytechnic Institute in Massachusetts. It is a partnership consisting of one institution (with a special exchange relationship with the Technical University of Berlin), four companies (Ernhart, General Motors, Norton Company and Digital Equipment Corp.) and one former company (Cincinnati Millacron-Heald Division) that excel in technology transfer and specialize in applications. Industry workers are re-schooled by MEAC; students work on real industry problems; very successful new hires have been documented.

8. U.S.C. 301, enacted July 2, 1862. Ch. 13, sec. 1, 12 Stat 503.

9. For example, in Canada:

A government spokesman argued that universities have a role of the highest order to play in solving Canada's economic problems. The official, who is responsible for postsecondary education, called for an end to the federal/provincial disputes that in recent years have limited higher education's potential. Only then can all the players in the education community get on with the task of building the momentum necessary to unleash economic growth (Mark Gerson, "Canadian Universities Charged with a Key Role in Solving the Country's Economic Problems," *The Chronicle of Higher Education*, March 20, 1985, p. 39).

And in France, where there is a growing campaign to free the universities from excessive state control:

A report published by the prestigious College de France, the country's leading academic institution, stated that French universities should be given greater independence from the state and more freedom to manage both their internal affairs and their relations with the outside world.

At the same time, the report's emphasis on the need to encourage greater differentiation and competition among institutions of higher education and to diversify their sources of financial support, reflected many of the priorities being pursued by the government under its new minister of national education.

The government prepared a set of proposals for legislative action that would increase the autonomy of universities, a necessary step toward what it described as "unity in and through diversity" (David Dickson, "Greater Autonomy for Universities in France Urged in New Report," *The Chronicle of Higher Education*, April 10, 1985, pp. 35-38). The French government also prepared a series of reforms for parliamentary debate that provide for substantially greater autonomy (Dickson, "French Plan Would Permit Universities to Set Own Admission Standards," *The Chronicle of Higher*

Education, July 30, 1986, pp. 31,32). It was these proposals that sparked the recent student protests in France.

In Japan, a council established by the prime minister is addressing how the higher education system must be changed because: "Today we are facing dramatic changes in our circumstances, both domestic and overseas, as well as great changes in the times. I am convinced that the time has come to develop new policies for implementing the necessary reforms in political, economic, social, educational, cultural and other fields so as to adequately cope with these changes and thus safeguard the future of our nation. To this end, it is necessary for us, I believe, to reform our educational system with a long-term perspective and make this a responsibility of the entire government. Educational reform involves more than the reform of education alone. It will inevitably lead to reform of Japanese society itself. Bearing this in mind, . . . [we must] deliberate on educational reform so as to respond to the expectations of all segments of our population and take into account their opinions to the greatest extent possible" (Robert Leestma et al., *Japanese Education Today, A Report From the U.S. Study of Education in Japan* [Washington, D.C.: U.S. Government Printing Office, 1987], p. 64).

In March 1987, ECS held a three-day symposium with its counterpart, the Australian Education Council, the theme of which was the importance of education to economic development.

10. Among these states are California, Louisiana, Maryland, Missouri, New Mexico, North Dakota, Oklahoma, Rhode Island, Texas, Kansas, South Carolina and Wisconsin. The study in Louisiana focused primarily on the feasibility of merging the governance of two institutions, and the study in Missouri related only to the University of Missouri. In Wisconsin, two studies were under way — one by the board of regents and the other by a Joint Legislative Audit Committee. In North Carolina, a study funded by the Reynolds Foundation is continuing. Not included in this listing are states such as Connecticut and New Jersey that had special study groups on state policy and independent higher education or Colorado that had a special study under way concerning the quality of teacher education.

11. Colorado, Maine, Mississippi, New York, Pennsylvania, South Carolina and Washington. Alaska, Connecticut and Kentucky have recently completed or are engaged in debates about revisions in a state higher education plan. In Florida, the board of regents conducted a special study of financing the state's universities. (A focus only on special state studies as an indication of the extent of state activity on major issues affecting universities understates the amount of state concern. For example, at least half the states focus on continuous, strategic planning and do not emphasize preparation of a "master plan" or similar document. For a detailed summary of these studies, see Aims C. McGuinness Jr., *The Search for More Effective State*

Policy Leadership in Higher Education, working paper PS-86-1 [Denver: Education Commission of the States, May 1986]).

12. When we examined the 17 recent studies of higher education, the issues in the text appeared with remarkable consistency as the forces motivating states to mandate reviews of their higher education systems. They include specific, long-standing disputes that frustrate political leaders because seemingly rational solutions do not seem politically feasible.

Beyond these specific concerns are more general allegations focused on the various boards, including that:

- The current governance system has contributed to (or at least done nothing to counter) the evolution of a diffuse, directionless and mediocre higher education system (the focus is often on specific board members or the board's executive officer).
- The current higher education board has drifted into a ministerial, regulatory mode divorced from or irrelevant to the central policy concerns of the state, or the current board appears to be incapable of providing the policy leadership to connect higher education with the state's future. Again, the focus is frequently on specific personalities. The perceived problem is not unique to a specific kind of board — coordinating or governing. In both cases, activities drive out policy deliberations.

Whether mentioned explicitly or not, all the studies point to the need for more effective leadership. Two themes are common.

- The need for more effective institutional leadership (by governing boards, chancellors and presidents), both in terms of increasing institutional prestige and contribution to the state's well-being and of making a contribution to the effectiveness of the higher education system as a whole. The studies frequently suggest changes in system leadership in order to recruit and retain better institutional leaders (Maine, Colorado, Washington).
- The need for stronger statewide policy leadership. The motivation behind these recommendations ranges from a desire for a board or chancellor who will "get the system under control and make it more responsive to legislative demands," to a desire for a board or chancellor who will set forth a vision for how higher education can contribute to the state's future, raise the level of the state's aspiration for its higher education system and pursue strategies that will resolve long-standing policy dilemmas.

13. **Consolidated governing boards** govern two or more institutions, often only one of which is a university. The institutions function as separate academic entities. The governing board performs all of the functions normally associated with a board of trustees: hiring the chief executive officers of the institutions, developing and implementing policy, allocating

resources among the institutions, etc. In some systems headed by consolidated governing boards, the institutions also have their own boards that perform limited functions as delegated by the central board. **Multi-campus systems** are systems that have a chief officer (chancellor) to whom the campus presidents report. They have evolved from, and function from, the governing and academic base of a major university campus or, in a few cases, have been formed to govern a sizeable number of institutions. Some of these systems have several campuses with university status, while in others there is a flagship campus and one or more branch campuses with missions focused more on undergraduate education. A **coordinating board** is not a governing board but an agency of state government formed to carry out certain functions in the areas of statewide planning, budget and program review and approval, administration of state student aid programs, etc. Generally, coordinating boards coordinate several governing boards — boards of single institutions or of either consolidated governing board systems or multi-campus systems.

14. Annual message to the New Jersey State Legislature, January 8, 1985.

15. T. Edward Hollander, *Policy Studies Journal*, Vol. 10, No. 1, September 1981.

16. James R. Mingle, ed., *Management Flexibility and State Regulation in Higher Education* (Atlanta: Southern Regional Education Board, 1983).

17. Carnegie Foundation for the Advancement of Teaching, *Control of the Campus* (Washington, D.C.: CFAT, 1982), p. 39.

18. We were unable to find any quantitative studies that helped us measure levels of intrusion and find this approach often misleading. Among the most ambitious recent efforts to identify the effects of autonomy through quantitative analysis are the studies by J. Fredericks Volkwein. In one study of 88 Ph.D.-granting research universities in 49 states, as Volkwein himself emphasizes, severe limitations in available data make it difficult to show relationships through quantitative analysis. In other words, the limitations mean that the study can be used neither to support nor to refute the argument that autonomy makes a difference. The danger, however, is that studies such as these will be used to argue that, since no relationship can be established by quantitative analysis, no relationship exists. We would strongly disagree with such an assertion, given the current state of the art of quantitative analysis in this field. In a number of cases where the information available to us from interviews and other methods showed serious cases of intrusion, his measures failed to identify any problem. Volkwein concluded: "Once a number of control variables are entered into a regression analysis, there are virtually no differences on the dependent measures between universities which enjoy a great deal of autonomy and those which are subjected to relatively heavy oversight. Thus, there is no evidence that a heavy dose of state fiscal control saves the taxpayers any

money or forces universities to operate more efficiently. Nor, however, is there evidence in this study that freedom from the burdens of external oversight enables universities to shift resources out of administrative processing and into other more productive activities . . ." ("State Financial Control Practices and Public Universities: Results of a National Survey," paper presented to the annual meeting of the Association for the Study of Higher Education [ASHE], Chicago, Illinois, March 1984, p. 8). In subsequent research, Volkwein described state regulatory practices and examined the relationship of these practices to various state and institutional characteristics. While his analysis found partial support for a few of the expectations (for example, that constitutional status had some relationship to autonomy from financial and personnel regulations), no significant relationships could be identified for most of the variables ("Correlates of State Regulation and University Autonomy," paper presented at the annual meeting of ASHE, San Antonio, Texas, February 1986).

19. See Alexander W. Astin, *Achieving Educational Excellence* (San Francisco: Jossey-Bass Inc., Publishers, 1985) for review of research on measuring quality of higher education. Astin identified four traditional ways of defining quality: reputation, resources, outcomes and content. The most widely publicized reputational ratings for major universities are those for graduate schools based on ratings by faculty members in graduate and professional fields. These include A.M. Carter, *An Assessment of Quality in Graduate Education* (Washington, D.C.: ACE, 1966); K.D. Roose and C.J. Anderson, *A Rating of Graduate Programs* (Washington, D.C.: ACE, 1970); and L.V. Jones, et al., *An Assessment of Research-Doctoral Granting Programs in the U.S.* (Washington, D.C.: National Academy of Sciences, 1982). In an analysis of reputational ratings of major universities, Astin found remarkable consistency among various surveys regarding the top 20. The following public universities are most frequently in that list: University of California at Berkeley, University of California at Los Angeles, University of California at San Diego, University of Illinois at Champaign-Urbana, Indiana University, University of Michigan, University of Minnesota, University of North Carolina at Chapel Hill, University of Texas at Austin, University of Virginia. In his analysis of reputational ratings of undergraduate programs, Astin (1985, p. 33) found a high correlation between a weighted combination of selectivity and size. Selectivity, measured by composite SAT scores, is highly correlated with total educational expenditures per student and average faculty salaries (Astin, 1985, pp. 5, 10). In his analysis of reputational ratings of undergraduate quality, Astin found only one public institution, the University of California at Berkeley, in the top 20 institutions in terms of overall quality of undergraduate education; when rated in terms of faculty commitment to undergraduate teaching, no public institution appeared in the top 20 (Astin, 1985, p. 35). An example of a more "popular" rating of the "best" colleges and universities are the reports

published in 1983 and 1985 by *U.S. News and World Report*, based on surveys of college and university presidents. In both surveys, the same universities were listed as the "best" national universities. This included two public universities — the University of California at Berkeley and the University of North Carolina at Chapel Hill — which were ranked in the top 10 "national universities," while two other public institutions — the University of Michigan and the University of Virginia — were listed as "noteworthy" ("Rating the Colleges," *U.S. News and World Report*, November 28, 1983; "America's Best Colleges," *U.S. News and World Report*, November 25, 1985).

20. In particular, the University of Utah is in danger of losing much of its hard-won gains as a result of the difficult financial straits the state finds itself in in mid-1987, a subject of concern to both the university and the state leaders. While recent higher education budgets in Utah have been constrained, Governor Norman Bangerter has fought hard for a tax increase to pay for education.

21. In some states, to achieve one or more universities of truly high quality would take not only a changed attitude about the university, but a changed attitude about the state and about resources.

22. It is not necessarily the *structure* of governance. All universities use essentially the same internal organizational structure. Additionally, the governance structures external to the campus (the multi-campus systems, coordinating boards and governing boards) are generally similar. Only if the universities are aggregated into a system of large size — that is, of many campuses under one board — does it seem to be the structure itself that affects quality. When one examines the different states, one finds that a structure that works well in one state produces quite different results in another state.

23. Harold Enarson, "Cooperative Planning to Meet the Needs of Increased Enrollments," *Current Issues in Higher Education*, G. Kerry Smith, ed. (Washington, D.C.: American Association for Higher Education, National Education Association, 1956), p. 321, as quoted in Robert O. Berdahl, *Statewide Coordination of Higher Education* (Washington, D.C.: ACE, 1971).

II. THE NATURE OF APPROPRIATE POLICY VERSUS INAPPROPRIATE INTRUSION

We can easily agree that appropriate public policy is good and inappropriate intrusion is bad, but how do we differentiate between them? What do we mean by "intrusion"? How do policy makers know when they have crossed the invisible line from one to the other? What type of intrusion matters most? Should we differentiate between those state actions that affect the quality of teaching and learning and those that simply make life more complicated and annoying for university administrators?

BUREAUCRATIC INTRUSION

> ***"[Regulation] costs money, stifles creativity and diversity, defeats effective administration and, at its extremes, intrudes upon academic freedoms."***
>
> Sloan Commission on Government and Higher Education

We have identified three broad forms of inappropriate intrusion — bureaucratic, ideological and political. **Bureaucratic intrusion** stems from the overregulation of activities for reasons that are usually legitimate but by means that ultimately interfere with the ability of the university to perform its function in a timely, efficient and creative manner. It undercuts the belief in campus responsibility by shifting decision making to external authorities and encouraging the sense that either nothing can be done or that one must beat the system to get things done. It is the most common type of intrusion, and it takes the form of excessively detailed state or system procedures that interfere with basic university functions.

- In one state, detailed controls were established over the hiring, promotion and assignment of clerical and maintenance employees at the institutions of higher education even when the positions and the funding were in the authorized budget. At one point, a highly regarded dean of engineering resigned from the university to accept a post in private industry when he could not even shift secretarial positions to meet faculty needs without extensive discussions with the state budget office. The lengthy delays in solving a low-level but critical problem led to mounting criticism from the faculty, criticism with which the dean agreed but felt powerless to resolve.

- In another case, state auditors reviewing the library at a major state university noticed that faculty and students had books out for as long as six or eight weeks. Pointing out that these were "state property," they demanded the library staff recover the books forthwith, a demand that led to lengthy negotiations that absorbed the time and energy of the library dean, the president and other campus administrators before the issue was resolved.
- In still another case, any faculty member attempting to go to a professional meeting for which money had already been budgeted had to argue with three different state offices before he or she could get approval to attend. Many faculty faced with these obstacles just gave up and did not attend such meetings.

In its report, the Sloan Commission on Government and Higher Education argues that regulation "costs money, stifles creativity and diversity, defeats effective administration and, at its extremes, intrudes upon academic freedoms."[1]

In the words of a New York State commission, whose report set the stage for a considerable reduction in bureaucracy, the State University of New York (SUNY) has been hobbled by such restrictions.

> "To the extent that SUNY's activities have been stunted by overregulation and inadequate support, the victims have been each and every citizen of New York. ... [A] weakened SUNY means a weakened tax base, less vitality in the state's economy and lost opportunities to stem migration from New York.
>
> New York State has handicapped both itself and SUNY ... by relying upon traditional governmental mechanisms that are not suited for the management of higher education. ...
>
> The regulation of SUNY is designed to secure the same accountability required of such New York State agencies as the Department of Motor Vehicles. But it is the triumph of technique over purpose. . . ."[2] (See Chapter IV for a fuller description of the commission report.)

IDEOLOGICAL INTRUSION

Ideological intrusion represents the attempt to interfere with the affairs of the university by preventing or insisting upon an activity strictly on ideological grounds. This would occur if, for example, the state tried to prevent the teaching of Marxist economics or demanded that the university fire a political scientist on the grounds that his views were too liberal.[3]

A recent example of ideological intrusion involved demands of community groups pressuring public officials to intervene.

- In one state, a group of citizens opposed the showing of the controversial French film "Hail Mary." Infuriated by the announced intention of the state university to show the film, a prominent businessman took out full-page ads in a major newspaper demanding that the university not show the film, threatening the university with a lawsuit and a $250,000 campaign to discourage private donors and contributors, and encouraging concerned citizens to telephone the university president and the governor to object. In spite of hundreds of negative telephone calls, the university president stood firm, defending his decision on the basis of free speech and academic freedom. The political effect of the campaign was not what the sponsor intended. The governor backed the president with a public announcement that it would be inappropriate, if not illegal, for him to intervene.
- In contrast to this response, the board of another state university decided to intervene and reverse the president's decision to allow "Hail Mary" to be shown. Only after a major student protest and advice from counsel that the action might be illegal did the board back down.

The striking fact about ideological intrusion is that states are not usually the intruding agent.

A difficult question to gauge is whether attempts at intrusion have a chilling effect even if unsuccessful.

> One board of regents, recognized as conservative in its outlook, has tried for more than a year to end what it believes is a liberal bias in the lecturers students invite to the campus. The students argue that those invited cover the full spectrum. The latest board proposal would change the current mandatory student fee for the public events program to a voluntary one, leaving, as one board member put it, the "limousine to pick up the rest of the tab."

The striking fact about ideological intrusion is that states are not usually the intruding agent. Over and over we found that the states realized this was an area they must avoid and even, when external threats arise, defend the university. This is not to say there is no danger. The threat still occurs and probably will always be present. For example:

> A candidate for a recent election to the board of regents for a major state university campaigned against "the leftist, Marxist bias among the ... [university] faculty ..." but was defeated.

Both state officials and university officers, however, pointed repeatedly to the opposite concern — ideological intrusion by the university itself. A distinguished academician described an incident on his campus in which

Jeanne Kirkpatrick (former U.S. ambassador to the United Nations) was prevented from speaking. He raised the general concern as to whether campuses are truly open to all views:

> "While ... much of the discussion of the incident centered around free speech and its defense, I believe that the issue was really academic freedom. A speaker invited to give a lecture is not merely exercising his or her rights of free speech, but comes under the more stringent protections of academic freedom, the freedom to teach and to learn and not just to speak. I say more stringent because free speech is compatible with a certain amount of heckling, the kind that one hears in Hyde Park in London or on the campuses. But in our classrooms and lecture halls, and in our invited lectures, we have a very different standard of attention and civility: We ordinarily do not accept even mild forms of heckling. ... A university is committed to an intellectual life that is the very opposite of heckling and shouted slogans and needs a special and protected environment if reasoned discussion is to be carried on — by the faculty, by students and by invited speakers.
>
> There are many people who have been 'discredited' in this way, people who, it is known, will have a pretty rough time if they come to a campus. ... Mrs. Kirkpatrick was (perhaps is) one, but there are others. For example, I think Secretary of Defense Caspar Weinberger could not get a civil hearing on campus; similarly, Alexander Haig when he was secretary of state, Henry Kissinger, then and now, and many others whose names are connected with proscribed positions on foreign and defense policy. ... These are people whose views could not get a civil hearing in many of the leading American colleges and universities.
>
> The process of discrediting people, and thus discouraging their appearance as speakers, is part of a more general effort to politicize the university. That effort can also be seen in the demand that controversial figures be permitted to speak only on condition that they take part in a formal debate, and that the 'opposing view' be heard on the same occasion and from the same platform. This demand assumes that on all issues all views can be reduced to two, the right view and the wrong, the position of light and the position of darkness.
>
> A university is committed to encouraging the development of critical and independent views and to discouraging the unreflective acceptance of positions put forward by any group.
>
> I suspect that the narrowing, by harassment and intimidation, of the range of issues that can be fully and freely discussed on our campuses is embarrassing and not much discussed for the same reason that the sensitive issues themselves are not much discussed. If that is true, it may be the most serious problem our colleges and universities face."[4]

Unfortunately, we found far too many cases where the principles put forward in this measured and thoughtful statement were violated from within.[5]

"The process of discrediting people, and thus discouraging their appearance as speakers, is part of a more general effort to politicize the university."

Martin Trow

POLITICAL INTRUSION

Finally, **political intrusion** is the interference in a decision to enhance the political interest of someone or some group in state government. An example is the attempt to have someone hired on a patronage basis or to locate a building at a site that is neither in the university's nor the state's best interest but which serves the interest of a particular state official. Some recent examples:

- In one case, a president ordered a campus meter maid fired when it was discovered that she had been stealing. Immediately, the president received a call from the governor's office to reinstate her. After agonizing over the decision, he did.

- In another instance, a powerful political leader decided to give up his seat in the legislature of a major state. After his retirement from office, he opened a lobbying office and, after arranging to be nominated, was subsequently elected to the board of one of the state universities. Immediately after the election, he asked the chairman of the board and the president to meet with him to discuss how he might help the university in his new lobbying role. One of the ways would be that he wished to admit students for the convenience of those he was lobbying, and he expected the university to set up mechanisms to effect this smoothly. The president tried to explain that there was a regular admission process and that such a personal and political process would be out of order. After arguing back and forth, the former legislator finally told the president that he was not suggesting what might be but what was **going to be**.

  For these and other reasons the president soon resigned and before long so did the former legislator.

- In another example, the chairman of the board argued quite frankly in an interview that his university, as a state entity depending upon state dollars to operate, should play the political game. He said that "to deliberately not hire [a qualified job candidate recommended by a politician] would be asinine. Politicians are called upon to help constituents all the time, and recommendations from such people are a normal part of just about every resume." This was the environment in which the board was expected to approve several appointments for new vice presidents and chancellors recommended by the new president. Among them were both the brother-in-law of a state representative and one of his long-time friends.

It was the board chairman's belief that this was the first time in the board's 10 years of operation that it was truly getting a chance to manage the way it saw fit, and that the trend would continue. "The [previous] administration was already in place when the board was created and, therefore, the tail just got put in the wrong place — up front." The chairman was clear that he expected the board's growing control over the administration would make it substantially more involved and therefore more effective politically.

- In still another example, when a state statute was enacted primarily to strengthen a state's higher education coordinating structure, the legislature also specified that two members of the staff of the previous agency who had offended several legislators could not be hired by the new board, thereby limiting the intended authority of the new board to appoint the senior staff.

The allocation of resources can also be a tool for the state to maintain political control. For example, many states, despite recognition that the university is not governed the same as other state agencies, require a rigid adherence to a state salary structure that is inappropriate for the university. One effect is to allow the legislature a measure of control over the university's leadership positions. This is done by limiting the pool of those who are willing to take positions to those noneducators and nonprofessionals to whom benefits less tangible than salary accrue — such as patronage positions or political clout within the state. For example:

> The battle over the chancellorship of the board of regents in one state involved a dispute about the salary. The governor said the salary was too low to attract top talent. The House, however, balked at a pay-raise bill. This prompted charges that House members hoped to discourage other candidates so one of their own could become chancellor. One of the regents on the search committee said of House members who did not want to support the pay-raise bill: "They were looking for excuses. They did not care about higher education. They care about someone whom they can control and who owes them something." Further, one of the candidates for the chancellorship supported by the search committee stated, "You won't find serious educators touching it with a 10-foot pole. It's just unfortunate that the chancellorship is under a cloud."

In some states, the tradition of political self-interest is held so dearly that any other mode of operation seems unrealistic.

> A fierce battle raged in one state over the selection of a new chancellor of the state higher education board. A state representative who had been on the education committee sought the position but was not the choice of the search committee. When the search committee made its recom-

> mendations to the board, the legislator's name was not included. Nevertheless, the board ignored its own search committee's recommendations and appointed the legislator.
>
> This posed an awkward problem for the higher education community and for the governor because the choice of the chancellor was clearly up to the board. Yet by politicizing the choice, the board compromised the integrity of the higher education system. The governor immediately objected, saying that the established search process had been violated. In the midst of the battle, an article appeared in the local newspaper: "[The state representative] has asked the state ethics committee whether it is proper for him to hire his former legislative aide who is a nephew of… one of the regents who named him chancellor of higher education. … Explaining his request to the ethics commission, he said, 'I want to be very careful about this, so there is no actual conflict or even the appearance of a conflict' with the state laws on the conduct of public employees."

In this state, political interference and patronage seem so ingrained that the inappropriateness of the issue is overlooked as long as the procedures are followed, i.e., that the ethics committee is apprised of the situation.

It should be noted that universities themselves are sometimes guilty of the same practices that, when imposed from the political community, they resent so intensely.

> A legislator, annoyed by the refusal of the state university to cooperate with regard to patronage, ran a computer check on the student payroll and found a great many sons and daughters of faculty and administrators, including many still in high school.

THE DIFFICULTY OF AGREEING ON WHAT IS INTRUSION

The above examples make plain that intrusion is not easy to define or to identify. An intrusive climate is often one which has evolved over time, in which the cumulative effects of seemingly insignificant incidents begin to erode the relationship between a state and a state university and, in turn, the relationship between the president and other administrators and the campus. Even in the most egregious cases of intrusion, there is often little documentation. People seldom write memos saying, "I would like to see Smith appointed chancellor even though he is less qualified as I feel that this will give us greater political control." What actually happened may be difficult to determine even for the players who have been involved directly. In almost every case studied, we discovered that the participants had differing recollections of the events. Even when they agreed on what happened, there were usually differing opinions of what was legitimate public policy versus inappropriate intrusion.

As suggested earlier, intrusion can take place either to secure ends that in themselves are inappropriate or to secure appropriate ends through inappropriate means. In increasingly frequent cases, institutional autonomy is restricted in the name of public interest.

- A governor recently opposed the appointment of a new university president because he felt that the search did not consider candidates from the state's large minority population. Nevertheless, the board proceeded with the appointment. Before long, questions were also raised within the university about the new president's style and administrative competence. At the first opportunity, the governor appointed new board members, giving clear signals that they had been instructed to force the new president's resignation. After more than a year's battling, with charges and countercharges exchanged in the press, the new president resigned. In the meantime, several nationally recognized scholars left the university, citing the political climate as a major reason. National publicity of the controversy left the impression that the state clearly did not aspire to have a great university.
- Citing evidence that students were graduating from the state's universities without having taken courses in the humanities as recommended by a recent report on undergraduate education, a state's higher education coordinating board adopted a regulation requiring all students to complete a state-specified core curriculum.
- A speaker of a state House of Representatives, interested in bolstering the economic development of his district, recently proposed that the mission of a small community college be changed to a university, despite evidence from several state higher education boards that such a redesignation of mission was inappropriate. Because of the speaker's political influence, no one in state government, including the state higher education board and other legislators, raised serious objections when he pressed for the change.

As a further complication, the same problem approached in different ways can lead to different conclusions as to whether good public policy is being implemented or inappropriate intrusion is occurring. Who has the right and/or responsibility to decide whether new programs should be undertaken? Surely the university may expect the right to decide whether to teach a new course in history, but does it have the right to decide to open a new medical school? Where along that spectrum does appropriate state involvement become intrusion?

Much also depends on how states achieve their purposes. Even when there is agreement on the goal being sought, there may be considerable disagreement about the means. As part of the back-to-basics movement, states are beginning to pass laws about specific curriculum offerings.

> Florida has been perhaps the most aggressive in this respect. In December 1981, the state board of education adopted what is commonly

referred to as the "Gordon" Rule after the state senator who proposed it. The rule requires all students in public community colleges and universities to complete six hours of math at the college algebra level or higher and 12 hours of English or humanities coursework, and to write at least 6,000 words of term papers per semester prior to receipt of the associate of arts degree or acceptance into the upper division.

Is this inappropriate intrusion into the heart of the university or is this appropriate public policy? Should legislation be used to set standards traditionally set on campus? Florida argues that these actions were justified because of evidence that education standards were declining. The imposition of performance standards has not been punitive; rather, it has been accompanied by additional state funding to help students meet the new standards. Early evidence suggests that student performance, including minority student performance, is rising to meet the higher expectations.[6]

- In one state, new and tougher admission requirements that will be phased in beginning in 1988 may have an adverse impact upon the numbers of Blacks, Hispanics and Native Americans admitted into the university system. To try and ensure that there will be no negative impact, the state legislature proposed that the university's executive management budget be reduced by 1% for every one-tenth of 1% drop in the enrollment of minorities. This is not intended to be a punitive measure, especially as there is enough time to prepare high school students to meet the new requirements.

- Reacting to appeals from frustrated students, several legislatures have now enacted statutes requiring that foreign teaching assistants and other staff be tested to determine if they can speak English before being allowed to teach in the state universities.

Each of these cases has the potential of undercutting the sense of campus initiative even while encouraging the climate of aspiration for quality. Each is also subject to differing interpretations. Few would argue with the objectives. **But is legislative action appropriate? We think often it is not. At the same time, one must recognize that these actions usually result from a failure by those within the university to respond in a timely way to real problems.**

WHAT AFFECTS THE FUNCTIONING OF THE UNIVERSITY?

The critical issue for this study is understanding what effect policy decisions, the mode of governance and differing forms of state actions have on what actually happens on the campus. What influence does all of the above have on teaching and learning, on research and scholarship, on what we would call the academic core? By the academic core we mean the central concerns of the university:

- What is taught and researched
- Who teaches and conducts research
- Who is admitted to study
- What academic standards are maintained

It is particularly important that the university be open to new or differing ideas and tolerate multiple views, even those that are unpopular with some segments of the society or the university. We recognize as a basic tenet of our democratic faith that any attempt to limit or influence what is taught in a given course would damage the quality of the university in the most fundamental sense.

... [O]ver time, the interactions on the peripheral issues will ultimately affect the nature of the university's core.

This has been the subject of constitutional debate. In a 1957 Supreme Court decision, the court defined what it deemed "the four essential freedoms of a university": to determine who may teach, to determine what may be taught, how it may be taught and who may be admitted to study. It argued that "for society's good, political power must abstain from intrusion into this activity of freedom, except for reasons that are exigent and obviously compelling."[7]

Still, intrusion into the core does occur. In one case, a powerful legislator objected to the views of a particular speaker at a conference held at the state university.

- He demanded that the university close the conference and apologize to the community. The university president refused, arguing that while he personally also disagreed with the speaker, the conference organizers had the right to present diverse views. The legislator then demanded that the conference be revised to include representatives of a viewpoint he felt better represented appropriate values. Again the president refused, saying the faculty organizing the conference had the right — and responsibility — to judge the balance of the conference. Next, the legislator suggested that the university's budget might be the best place to resolve the issue. At this point, the newspapers of the state entered the dispute in terms of both news stories and editorials, and the university's alumni began to express their outrage at the legislator's behavior. After a few further interchanges, the subject of objections to the conference was dropped.
- In another case, a legislator insisted on the admission of a constituent to one of the most selective Ph.D. programs at the university. When the dean

> of the graduate school demurred, pointing out that the admissions committee had carefully weighed all applicants and selected the most promising, the legislator introduced a bill to limit admission to all graduate programs to residents of the state. The legislative leadership refused to go along, and the bill died in committee.

Similarly, political groups external to the government can threaten the autonomy of the core. This is a description of one group's effect:

> "Some professors are not speaking as freely on the sun-splashed campus of [a university], where palm trees and young Republicans grow side by side. They have seen what happened to [professor X. He] was the first target of the Washington-based campus watchdog group, Accuracy in Academia (AIA). Charges against the associate professor are that his Political Science 101 is actually a pulpit for his own passionate antinuclear views rather than an introductory survey of political ideologies, as it is officially described. The AIA founder wants to bring his crusade to colleges with a national network of informants, combating the alleged malpractice by '10,000 Marxist professors.'
>
> Academic groups such as the American Association of University Professors regard AIA's call for accuracy and balance as a demand for conformity to the right-wing orthodoxy. They fear AIA is the harbinger of a 1950s-style assault on academic freedom that could chill the spirit of intellectual inquiry and level classroom give-and-take that enriches university life."

INTRUSION BEYOND THE CORE

It is not, however, only the interaction on specific issues within the academic core that matters. **We have come to see that the whole of the state/university relationship affects these central functions**. There is a widespread assumption that the interaction between the state and the university concerning peripheral issues, such as the paving of roads or the promotion of clerical and maintenance personnel, is of a different nature and of less concern. But the evidence indicates that, over time, the interactions on peripheral issues will ultimately affect the nature of the university's core.

Consider, for example, the following:

> Last year, the president of a state university announced his resignation after a year in office, saying that the ". . . saddest part is that outside political interference has made it difficult beyond my wildest imagination." He was particularly upset that there were ". . . some people who want to name the people in all key positions from football coaches to vice chancellors," and he refused to let the university be used as a patronage university.
>
> In another case, the president of a campus within a university's system

reflected on the difficulties his campus faced as he approached retirement.

> "Sometimes I think the university is Gulliver tied down with ropes by a thousand Lilliputians." His main criticism was that the university system had become bureaucratized — beset with niggling concerns and mounds of paperwork, both from the state and from the university system headquarters — which prevented it from achieving its mission of becoming the premier university of its region. Leadership in higher education had been replaced with management in its narrow sense. What is lacking, he argued, was the necessary vision and risk-taking — in part because of the lack of autonomy at the campus level. Instead there were "layers and layers of supervision" which impeded decision making.

Bureaucracy and politics can affect every facet of university life. But does it affect the academic core? Suppose one has architectural and construction limits such that after gaining the necessary approvals and funding, it takes 10 years to build a building. Does this hurt the academic core? Much closer to the center, what about the effects of various forms of intrusion in the selection of the president?[8]

> After a lengthy search for a president who could raise the quality and prestige of the university to that of a world-class institution, the board of regents selected the president of a major university in another state. The nominee soon found that the legislature would not exempt the president from strict limitations on salaries of state employees (the university was not exempted from state civil service requirements), so that the president could not receive a salary even close to what would be competitive at major state universities. In addition, certain legislators publicly objected to the new president's fringe-benefit package. Convinced that the state lacked the commitment and political will necessary to build a first-class university, the candidate withdrew his name. The board finally appointed the acting president, who, while qualified, did not bring the stature to the university that had originally been sought.

Leaders in any organization need to be able to deliver. This is not to argue that they need to ensure a plush or even comfortable environment or that they must prevent any external problems from reaching their constituency. Rather, they need to create a climate of belief that things can happen. The more a state intrudes, the more it undercuts that belief. The more the campus believes that irrational intrusion will occur, the more both leadership and the willingness to follow are undercut.

Particularly hard hit is the willingness to take risk and responsibility which in time will seep all through the university.

> An example of how peripheral issues can affect leadership can be seen in the fierce battle over the department of athletics between the president of a flagship university and the board of trustees supported by powerful

> political interests. The issue, the role that athletics was to play in the life of the university, was outside the academic core. Yet in the end, the power, authority and autonomy of the campus were compromised by the ensuing struggle over whether the athletic department was to have a free rein or be forced into accepting that it was an integral part of the university.
>
> The faculty senate went on record to "condemn any statements or actions that undermine the authority and ability [of the president] to provide leadership to the university during this difficult time." It reaffirmed its commitment to be tireless in asserting that the academic interests of the university take precedence over all other considerations. It promised to provide "all necessary and appropriate support to [the president] in defense of those academic interests." Not only was a major amount of time of the president, other administrators and even the faculty diverted, but the ability of the president to lead also was eroded. Ultimately, the director of athletics resigned, but not until a damaging and painful two-year ordeal was over, and not until the role of the president was crippled.

It is also important to realize that the influence of such peripheral problems tends to be cumulative. The more intrusions there are, the more effect they have over time. Given enough time, they undercut the spirit of campus leadership, usurp time away from the critical goal of providing an educational vision and gradually drive out of office many of the most talented people. If the experience of being the president of the university becomes onerous enough, it affects who will be willing to become president (or vice president or dean or department chairman). Small points then ultimately add up and create a downward spiral of greater cynicism, loss of trust and ultimately a loss of quality.

The effectiveness of organizations is in great measure a function of the way people interact. Because the very nature of the teaching and learning process — the art of scholarship — depends upon creativity, the university needs every ounce of this scarce commodity it can achieve. But creativity is elusive. It thrives on challenge but disappears in the face of intrusive and bureaucratic behavior. While our attention has been primarily focused on the nature of the academic core and the factors that affect it directly, our considered opinion is that **to the degree that the university and the state find themselves in an ineffectual relationship on issues outside the core, it will ultimately affect the functioning of the academic core as well.**

THE DIFFERENCE BETWEEN WISE AND APPROPRIATE

Finally, there is a difference between what is wise and what is appropriate. A state may push for high tuition to reduce the university's need for state funds. This may be a poor or controversial policy, but it is not intrusion. The state has the right to determine the balance between charging tuition and raising taxes. The issue of enrollment caps is often another embattled area because of the implications for the campus. Yet surely the campus does not have the right to determine its own size.

How the state government addresses the problem affects whether we see the action as appropriate or inappropriate. In one state, the legislature proposed to set detailed admission requirements for each campus. In another, the legislature asked the coordinating board to develop a plan. In a third, the university president, sensing the changing demography and the worsening state finances, announced a voluntary plan to limit campus enrollment.

These subtle but significant differences make the task of defining intrusion difficult. Still, these complexities should not obscure the basic point. Some states have gradually developed a tradition of trust and positive interaction that has been a powerful aid in creating universities of high quality. In other states, the opposite has occurred. Inappropriate intrusion and the failure of campus leadership has led to institutions of lesser quality. Intrusion is difficult to characterize in objective terms, but we know it when we see it.

NOTES

1. Sloan Commission on Government and Higher Education, *A Program for Renewed Partnership* (Cambridge, Mass.: Ballinger Publishing Company, 1980).

2. Independent Commission on the Future of the State University, *The Challenge and the Choice: The State University of New York* (Albany, N.Y.: SUNY, January 1985), pp. 4-5.

3. In some cases it is difficult to determine when policy slips across the line to inappropriate intrusion. A recent attempt by a state to intrude on ideological grounds involved the investments by the board of a major state university system. Within the state legislature, two of its major leaders felt it was important that the university divest itself of all holdings of stock in firms doing business in South Africa. The board, through its regular investment procedures, decided to continue with its existing policy. The legislative leaders then attempted to hold the state university's capital appropriation budget hostage, demanding that the board reverse its decision. Arguing that this represented a clear case of ideological intrusion, the university and the board held to its ground with the ultimate support of many other members of the legislature and the governor's office. The university was able to prevail and get its capital budget released. Subsequently, the legislative leaders passed a bill requiring divestment for all

funds of the state — a bill that met the test by changing the issue from intrusion into the university to what should be state policy. It was signed by the governor.

To us the distinction is critical. In the latter case, the state government has made broad policy for the entire state in an area over which it has jurisdiction. In the former, it attempted to intrude into the affairs of the university alone because the two legislative leaders disagreed with the board on ideological grounds.

Ideological issues sometimes drive public action in ways that affect the campus. Linking draft registration to tuition loans or other financial assistance is a case in point. The federal government can withhold loans or assistance from those who fail to register. At least seven states have passed similar legislation, and several are following suit.

4. Martin Trow, "The Threat From Within, Academic Freedom and Negative Evidence," *Change, the Magazine of Higher Learning*, September/October 1985. In the spring of 1987, Kirkpatrick withdrew as commencement speaker and honorary degree recipient from a private university, saying that she felt "unwelcome" after a faculty resolution expressed disapproval of the honorary degree.

5. As Trow's article demonstrates, ideological intrusion may be initiated, fostered or continued by students themselves. Another example involved students protesting or even preventing campus visits by unpopular recruiters. At one school, politically active students called upon their officials to cancel a scheduled visit by CIA recruiters. The vice chancellor for academic services and the director of career services said that would not happen, however. Their rationale was that the U.S. government is a bona fide employer, and a large number of students had signed up to talk with the recruiters.

6. Florida State Board Rule 6A-10.30, as described in a letter from Carolyn Herrington, policy analyst, Florida Postsecondary Education Commission, to Aims C. McGuinness Jr., ECS assistant executive director for higher education, July 17, 1986.

7. *Sweazy v. New Hampshire*, 354 U.S. 234,263 (1957).

The Carnegie Foundation for the Advancement of Teaching elaborated on the "essential core": "If the integrity of higher education is to be preserved, the academy must have full authority over those essential functions that relate to teaching and research. These include the selection of faculty, the content of courses, the processes of instruction, the establishment of academic standards and the assessment of performance. Academic integrity also requires that the university have control over the conduct of campus-based research and the dissemination of results. These functions constitute, we believe, the essential core of academic life. It is here that the integrity of the campus must be uncompromisingly defended" (*The Control of the Campus* [Washington, D.C.: CFAT, 1982], p. 6).

8. A prominent businessman, former candidate for governor and a leading fund-raiser for one of the major political parties was a candidate for the presidency of a university system. Despite public statements and letters of support from the governor and legislative leaders, the search committee did not include him on the list of six finalists presented to the regents.

   Criticism of the search outcome and the search process was plentiful, from the governor and other elected officials. There was talk of a legislative inquiry, but it was quickly dropped.

III. THE CAUSES OF INAPPROPRIATE INTRUSION

Logical forces cause states and universities to be more involved with each other than ever before. States now play a larger role in all aspects of the public life as well as in the lives of state universities. The relationship between the university and the state is driven by such complicated forces as the growth of state involvement in a wide range of activities, the growing ability of the state to intrude, the increasing size and centrality of higher education itself, the new interest of states in the issue of quality, the difficulty of maintaining separate missions for the institutions of higher education, the pressures of a single view of prestige, geography, political needs, bureaucratic power struggles, the pressure of short-term interests and the expanded forms of university governance. The length of this list alone illustrates the complexity of the relationship. As a consequence, the opportunity for both appropriate public policy and inappropriate intrusion has grown considerably.

THE GROWTH OF STATE INVOLVEMENT

Today, states are involved with state universities on a daily basis and on hundreds of issues — on subjects that would have been inconceivable 30 or 40 years ago. As a result, the idea of autonomy of the university from the state government is simply not practical, adding to the urgency of developing a carefully designed and constructive role for each party.

Universities have always been a part of the structure of the state, even as far back as the founding of Oxford or Cambridge.[1] But whereas universities then were focused on the maintenance of the social structure, today the focus is on a much broader role.[2] States now interest themselves in subjects ranging from programs for economic development to state-funded student aid.[3] State courts regularly address issues of admissions, tenure or even who can coach football. To understand fully the state relationship, it is important to see the growing involvement of states with the state universities against the backdrop of more state involvement into almost everything. The public expects more of government at all levels — federal, state and local.

While it is true that under the current administration in Washington there has been a tendency for the federal government to "deregulate," we still expect the federal government to be involved in a very broad range of activities. At the state level, we know of no evidence of any decrease in involvement. Rather, states have been more involved in almost every aspect of society in the last decade than ever before. The growth of more general state initiatives — in collective bargaining, equal pay for women, laboratory safety or health care costs — further entangles the states with the universities. For example, the following is a partial list of topics, agents, devices, materials, etc., which are regulated by one state, affecting the operations of a major private research university:

Air and water pollution
Asbestos
Biohazards
Building and fire codes
Food service sanitation
Hazardous waste disposal (including radioactive wastes)
Insect and rodent control
Labor laws
Life safety codes
Nonionizing radiation, including microwaves, lasers, light, ultraviolet light, radio frequency, radiation, etc.
Oil spills, clean up, etc.
Pesticides and pesticide usage
Polychlorinated biphenyls (PCBs)
Radiation
Right-to-know
Sewage
Swimming pool regulation
Underground storage tanks[4]

For a public university, the list is far longer.

THE GROWING STATE ABILITY TO INTRUDE

There is also more involvement by the states simply because they have a growing ability to be involved. State legislatures, for example, have far more numerous and, in many states, better staff than ever before. Twenty-five years ago, the Illinois legislature had a staff of four. Today it has 90. Today the states and territories have more than 16,000 full-time and 9,000 part-time legislative employees, including staff for bill drafting, fiscal and budget matters, information services, legal services, program evaluation and research, as well as personal staff for individual legislators and, in some states, sizeable partisan staffs.[5] In many states, the legislative education committees now have full-time staff, often with advanced degrees, in some cases, with Ph.Ds. In addition, there is:

- An increase in the number of legislatures that meet on an annual rather than a biennial basis (from 19 in 1963 to 35 in 1972 to 43 in 1986)
- A growing number of legislatures that meet year-round, resulting in

more and more legislators who identify this as their primary occupation (including California, Illinois, Massachusetts, Michigan, New Jersey, New York, Ohio, Pennsylvania and Wisconsin)[6]

States today have sophisticated computer capacity, not just for the legislature but for the administration, including the budget officer, the personnel office, the state auditor, etc. Besides recordkeeping and information handling, legislatures now use computers for drafting and tracking bills, statutory retrieval tasks, production of journals and individual newsletters and for very sophisticated, highly detailed, fiscal analysis (first pioneered by Michigan and later implemented by Washington, Colorado, Louisiana and others).[7] In many states, for the first time, state government is equipped with the capacity to understand what is actually happening on campus, including the details of campus expenditures. State government today is made up of better-educated people who have better support and who are concerned about issues that involve the university.[8]

THE GROWING SIZE AND CENTRALITY OF HIGHER EDUCATION

Attention to the higher education community, and particularly the state universities, has also been forced by the growing size and complexity of the higher education system as a whole and the state universities in particular.

The University of California system is a good example of the phenomenal growth of higher education over the last 30 years, according to its systemwide information data.

	1957	1967	1987
Number of campuses	6 campuses	9 campuses	9 campuses
Faculty (full professors through teaching assistants)	5,372	18,679	33,888
Nonacademic Staff (including management)	No data available	38,342	75,385
Students	41,925	95,292	150,065
Budget	$135 million	$592 million	$4.2 billion

In New Jersey, total state appropriations for higher education increased from $100 million in FY 1967 to more than $850 million in FY 1987.[9]

The increased recognition of the centrality of higher education, and particularly the emphasis on higher education and economic development, has led states to involvement in such things as research centers; business, state and higher education partnerships; and efforts to improve the quality of undergraduate efforts. Ann Spruill has identified five generic forms that state economic development can take that engage universities. They are:[10]

1. Human capital programs (emphasis on education and training)
2. Research development and technology transfer programs
3. Entrepreneurship training and business assistance
4. Information gathering and dissemination
5. Provision of finance capital or physical property rights

These are valuable efforts, but they further intertwine the affairs of the states and the universities.

When the university was smaller in size and in significance to the future of the state, the relevant budgeting and governance decisions were often left to those legislators and state officials who had a particular interest in the subject. The university was often out of sight and out of mind as far as its administration was concerned. Now with budgets of hundreds of millions of dollars and a role that is increasingly crucial, it is likely to be very much on the mind of the state and, consequently, directly in the line of sight.

THE GROWTH OF STATE MANDATES AIMED AT IMPROVING QUALITY

Perhaps the most significant and most recent change is that states have begun to stir themselves about the issue of quality — the effectiveness of the campus in the role of teaching and research — an issue that was almost always, until recently, left to the campus.

As one former state finance officer argued, the state sees itself as a force needed for changing higher education. "Often state government is the only force that can bring change [to the campus]. If we could go to zero-based budgets, we would do things differently. We can't and don't. Yet it is conceivable that reorganization may be useful, but the political will is missing. A governor may be the only way of achieving [the needed educational changes] through external forces."[11]

This belief is one reason states have been increasingly involved in the internal working of the university. Although they are generally motivated by the best of intentions, the result often is what appears to be inappropriate intrusion for appropriate ends. During the last few years states have become used to intervening in elementary and secondary education in order to raise standards, to improve access to students previously left out or poorly served, to correct financial and academic abuses and improve the quality of teachers or principals.

The temptation is to use the same approach in higher education, particularly because many issues (such as teacher education or the preparation of high school students) cross the boundaries from school to college. For example, more than 40 states require teacher education graduates to pass a test to receive certification. The initial results of these tests were startling. Significant numbers of recent college graduates scored poorly on tests of basic skills — skills that should have been gained in courses taught by the arts and sciences faculties.[12] Of those teacher candidates taking the Florida test for initial certification, 17% failed the sections related to math, reading and writing. The results not only indicated a need to address the question of quality, but also implied a sense of urgency. With many current teachers projected to retire in the next decade, a dramatic increase is projected in the annual rate of new teachers to be hired, perhaps as many as a million.[13] There is, as a result, a window of opportunity for quality improvement that states do not wish to miss.[14]

> ***"Often, state government is the only force that can bring change [to the campus].... A governor may be the only way of achieving [the needed educational changes] through external forces."***
>
> James D. Nowlan

In addition, there is a widespread and understandable sense that state action during the elementary and secondary education reform movement produced programs that have worked. The result is an inexorable pressure to carry the reform effort further along the educational spectrum to higher education.[15] The danger is that the gradual acceptance of direct state action to achieve these goals — in the place of state action that creates the incentives for change **from within** the higher education community — will become counterproductive, leading to more and more state mandates and a diminished campus sense of responsibility.[16]

The determination to improve quality is far from the only cause of overt state intrusion. There are a number of causes — some internal, others external.

THE INABILITY TO CREATE DIFFERENT MISSIONS

From what we have observed, the most frequent irritant undermining the state/university relationship is the difficulty of achieving an appropriate division of missions among the institutions of higher education. There is a broad consensus that institutional ambition has led to unnecessary growth of institutions as well as a wasteful overlap of programs.

A blue-ribbon panel examining the higher education system of one state commented:

- "In the minds of [the people of the state], the roles of the state colleges and universities have become muddled. Time after time legislators told

> . . . of the importance of bringing each of the campuses into sharper focus — to have the presidents and faculties understand what they can and cannot do. . . . The situation . . . has been complicated by the locations of campuses, population patterns, the aspirations of colleges and universities and the absence of clarity about how each is to mesh with the others. Although policy documents of the board articulate the roles of each campus, these statements are not always followed and may be bypassed, from time to time, in favor of ad hoc judgment. . . . Without an agreed-upon role, a campus is tempted to expand beyond its traditional boundaries, in part because of the great pressures of self-interest, political interests and local status. . . ."

- In another state, "the system should protect and enhance different definitions of excellence in order to reflect the diverse needs of the state. Geography alone mandates dramatic differences in the institutions that make up the university system. . . . Since creation of the multi-campus university, there has been a blurring of the distinctions among the institutions, a kind of homogenization, sometimes taking the form of proliferation of offerings, often out of keeping with what is understood to be the mission. Too frequently, some of the institutions have appeared to be competing. . . ."

Despite determined attempts at trying differing systems, states frequently have been unable to fashion some form of governance that will resolve these issues. This, in turn, often leads to measures that end up as intrusive. In recent years, the concern about program overlap has grown stronger because enrollment growth has ended for most states. In fact, enrollments are declining in a number of states. From 1980 through 1984, overall enrollment of first-time students in public institutions declined by 12%.[17]

The figures are not homogenous, however, and even within a state the situation can be varied and complex. In Maine, for example, enrollment demand remains strong at the land-grant university campuses and in the growing southern area, but is not strong at the small isolated regional campuses. The challenge of Maine's regional colleges is "to maintain program quality while adjusting to declining enrollment and changing student body that includes more older, nontraditional students, many of them part-time."[18]

In a number of states, higher education is seen as somewhat overbuilt. In a few — Mississippi, Connecticut, New Hampshire, Montana and Texas — there are proposals to consider closing campuses. In one — South Dakota — a state college has been closed, and in another — Massachusetts — two campuses have been merged.[19]

One of the major problems, therefore, is that it has been difficult to encourage clear, differentiated missions that either separate campuses into groups with particular goals (as California has done in its three-segment master plan), establish specific missions for each campus within a system or create a separate mission for each campus through a coordinating board. It has been even more difficult to manage the process by which institutional missions continue to evolve as the needs of society change.

THE DIFFICULTY OF A SINGLE PYRAMID OF PRESTIGE

A major cause of the difficulty over mission is the single pyramid of institutional prestige.[20] Despite the assumption of different goals, the greatest prestige and most rewards accrue to the research university. It is understandably hard to convince those at regional universities, state colleges and community colleges that they should be happy with second-class status. Most faculty at the state colleges and the regional universities received their education at research universities. The result is an inexorable drive within the faculty to try and turn each institution into some form of a research university. Often, this is inadvertently reinforced by the actions of the states, actions that make more visible the differences in status and prestige. As a consequence, there is internally and externally generated pressure driving institutions to move from teachers' college to state college to state university to research university (and to Division I athletics).

One report on higher education governance and coordination stated:

> "In all states, those employed at the public 'comprehensive' or 'regional' universities tend to see themselves as 'second class' in the pecking order dominated by large, research universities. What is more unfortunate, however, is the perception by many at the regional universities that **state policy** relegates them to an inferior, indeed even third-class status."

A respondent to one survey administered during this study said:

> "In this state, the [research university] is allowed to go first class. ... The land-grant university goes second class ... and the others are held to third-class status — supposedly filling a 'regional' mission. ..."

Another respondent said:

> " ... It is a bad mistake to attempt to categorize the [major research university] with all four-year institutions. It is in the best interest of the state to actively establish that university as a world-class institution. ... The point is that all four-year institutions may be allowed to achieve their highest aspirations, but it is doubtful that the legislature is able to afford more than one 'flagship' university."

Consequently, the harnessing of an appropriate mission to serve as the central driving force toward quality has been difficult to achieve. Unless missions can be differentiated and multiple pyramids of prestige created, the natural ambitions of the campus cannot become a means for channeling campus entrepreneurship into useful purposes. Instead, the result is often that the entrepreneurial drive essential for institutional quality is often diverted into competition among the institutions for prestige and resources.

In one state, the legislature created a 16-member committee of legislators and citizens to study the escalating "warfare" among the colleges and universities competing to serve part of the state. The panel "found a pattern of expansionism and competition for students and dollars among the institutions of higher education.... The individual interest of autonomous institutions, the lack of an entity with authority and responsibility for the broad public interest and the unique characteristics of the location promote the competition and result in the inefficient use of public funds." The committee went on to propose the consideration of a merger of two institutions or at least of their boards as a first step, the establishment of higher education structure "with a clear line of authority to ensure that the broader public interest is being served ... " and legislative removal of the economic incentive to establish state-funded off-campus programs.

The committee charged the institutions with conducting a "turf war" through such uncoordinated and inappropriate competition as lowering admissions standards to attract more students, pressing for new facilities and opening new programs when the prime purpose was not to serve the public but to compete with each other, lowering tuition charges for courses offered, conducting extensive advertising campaigns, opening store-front class centers and publicly criticizing each other. One state senator commented, "I see this as these institutions simply wanting to get all they can before the legislature closes in."

The political study, rather than cooling the actions of the two universities, escalated their maneuvering. Even a long-time advocate of the institutions, a representative in the state legislature, expressed his frustration: "This could jeopardize adequate funding for the universities, and it adds to the feeling that a new structure should be put into place to coordinate these things for the good of the [higher education] system."

GEOGRAPHY AS A FACTOR

Whether or not the state's colleges and universities are located in key political and economic areas of the state can be a major factor in the nature of the state/university relationship. In many states, the land-grant university, founded in the late 1800s, was located in an area appropriate for an economy based on agriculture, pulp and paper, timber or other industries of that time. It is not surprising then, that in state after state, the land-grant university main campus is away from the major urban areas.

The University of Maine is located in Orono, far removed from Portland and the economic growth in southern Maine; the University of Massachusetts main campus is in Amherst, on the other side of the state from Boston; the University of Arkansas main campus is at Fayetteville, in the far west corner of the state a number of miles from Little Rock; Colorado State University is in Fort Collins, well north of Denver; and the University of Idaho is in the far north of the state miles away from Boise and only eight miles away from Washington State University in Pullman, Washington.[21]

It was quite common during the 1960s and '70s for these universities to establish branch campuses in the more urban areas of the state, not just out of the goodness of their hearts, but because this was seen as a way to forestall establishment of separate and competing institutions in that area that might draw enrollment (and state dollars) away from the main campus and to develop visibility and a political base in the important power centers of the state.

> The president of one state's land-grant university put it this way: "If [the university] is not visibly serving the metropolitan area, state legislators from that area start asking, 'What have you done for me lately?' Given their influence in the legislature, we cannot afford to be absent."

In several states such as Maine, Massachusetts and Wisconsin, a university system has evolved. In the initial years, the urban branch campus functioned as an outpost of the academic base of the main campus. Later, the branch functioned as a relatively autonomous unit but still under the president of the main campus. In the final stage, a statewide governing board was formed in which both the main campus and the branch function as relatively equal elements in a larger system. In such a system, the tension between the urban campus and the original land-grant campus (or between these campuses and other units in the system) often becomes a potent political issue. In Maine, for example, this tension was one of the principal issues that led to the formation of the study commission, the Visiting Committee to the University of Maine.

> In another state where the governor has been pressing the higher education system to focus its programs and reduce overlap, several of the regional universities have proposed to add Ph.D. programs competing with the state's major research university. They argue publicly that such programs should be available locally, but privately argue that it is "unfair" that the major research university should be the only institution allowed to give Ph.Ds.[22]

Solving problems of geography depends on political balance and leadership in the higher education system. Much depends on whether there is an effective governing or coordinating structure. Illinois appears to be a good example of this. The leadership at the major institutions and by the members and staff of the board of higher education has, over the years, gradually resolved a serious geographic imbalance. A reasonable balance now exists among the elements of the higher education system — among the major university governing boards; between the senior institutions and the community college system; between the institutions in the Chicago area and those serving other parts of the state, including southern Illinois; and between the public and independent sectors.[23]

Clearly, it is in the public interest that these geographic mismatches be resolved. If the coordinating board, governing board or system develops a plan, the campus in-fighting that so often occurs can be minimized. Good examples exist, such as the gradual development of the University of Illinois at Chicago, the evolutionary growth of the campuses in southern Florida or the long-term plan to develop the nine-campus University of California system — a plan that included both campus differentiation and an understanding of the political needs for geographic balance.

WHEN THE POLITICAL AGENDA REPLACES THE EDUCATIONAL AGENDA

Not all inappropriate intrusion flows from a desire to achieve a high public purpose. It also stems from self-interest, lack of leadership, confused or inadequate planning, a lack of sensitivity on the part of educators to the needs of political leaders and vice versa,[24] or from just plain foolishness. A great deal of inappropriate intrusion occurs in those states that have a tradition of self-interest politics.

> ***"I control every position in the state, from laborer to director [of a state department], except those in higher education. What makes the university think that it should escape?"***
>
> State budget officer

Self-interest in the political world has, of course, existed in this country since the first colonists came ashore in the 1600s, based on the desire to be re-elected (and consequently the desire to solve problems for constituents) or the desire to make a name for oneself. But the key is whether it becomes a way of life to the extent that it causes inappropriate intrusion into the university. We have found, for example, states in which patronage in the hiring of university employees is an everyday fact of life. In other states, the traditions are such that it is simply never done.

Of course, universities may also act based on political rather than academic gain because they clearly understand where their ongoing support lies.

> In one case, an influential member of a state Senate and an enthusiastic booster of his alma mater's athletic program worked for a new stadium to be built. The school's faculty and administration neither favored it nor thought it was necessary. The school had a sizeable reserve fund that was controlled by the legislature, however. The boosters added another 33% to the fund, and the administration, unwilling to jeopardize the boosters' future support and good will, accepted the new stadium.

THE DESIRE OF THE BUREAUCRACY TO EXERCISE POWER

A frequent cause of political intrusion is the desire within the state bureaucracy to exercise power. Often the state university is the only major state agency that escapes the full control of the state administrative apparatus. To the people in the budget, finance or personnel offices, the state university often appears to be uncooperative or "running free." Frequently, the bureaucracy finds the university pleading that it has special requirements over and over again — and it often does.

> A university medical center recently found a donor for a kidney transplant and submitted a request through the state comptroller and office of general services to purchase the kidney for $5,000. The request was refused because "there had been no competitive bidding to set a fair market price for the kidney. . . ." A phone call to another official cleared the way for the transplant, but time, expense and good will were dissipated.

Over time, this request for special treatment or the determined push for autonomy comes to bother many state officials independent of whether or not it is justified.

> The budget officer of one state put the issue in the most straightforward terms: "I control every position in the state, from laborer to director [of a state department], except those in higher education. What makes the university think that it should escape?"

SHORT-TERM INTEREST VERSUS LONG-TERM PRINCIPLES

Finally, a continuing cause of inappropriate state intrusion is on-campus thoughtlessness about the consequences of campus actions. Often, for example, the university, in projecting its legitimate needs for autonomy, will appear as arrogant or aloof.

Even more troubling is the tendency of the campus to invite intrusion by appealing decisions over the head of legitimate campus procedures.

> A major state university with a new medical school faced a dilemma over whether to utilize a new community hospital or build a university hospital on the campus. After a long debate involving many parties, the president decided to use the community hospital. The medical school dean was determined to have his own hospital and organized the local legislators to press for a separate appropriation. The system chancellor was able to defeat the proposal, but at the cost of alienating some of the legislators.

> In one state, several institutions were competing to serve a major urban area. To avoid turf wars, the state system assigned the urban mission to two institutions and explicitly forbade one university from operating

> programs in the city. The state university president confided to his state legislative friends that he intended to offer programs in that area, anyway. "Without a foothold in the state's major urban center," he said, "there is no way that I will be able to get legislative support for the university."

Clear and decisive action by both university and state leaders is required if the system is to be kept workable.

> An example of how this can be done occurred when California Governor George Deukmejian consulted with David P. Gardner, newly appointed University of California president, and then vetoed items in the 1985-86 budget totaling more than $655,000. Deukmejian said: "The regents have an established method of requesting support for university activities. These requests [did not receive] internal university review nor the assessment of priority within the university's programs."[25] He went on to point out that many were worthy, but that the process must be followed.

BOARDS: PROBLEMS IN BEING EFFECTIVE

The idea of a lay board responsible for the operation of the university is a uniquely American concept. These boards traditionally have three roles: They appoint the university leadership, they buffer it from undue intrusion, and they hold the university accountable to the needs of the public.[26] Our assessment is that boards of regents and other governing and coordinating boards in many states are having difficulty performing as effective public bodies.[27] On the whole, they do a credible job of the first task, appointing leadership to the institutions. There are notable exceptions to this, as when the selection process becomes overly political or acrimonious or when the excellent information now available about the process of presidential selection is not put to use.[28]

Our concern, however, is with the difficulty that many boards seem to have in performing the other two tasks, namely holding the institution accountable to the public purposes and buffering it against undue intrusion. Why do boards have so much difficulty being effective at these two key responsibilities? One obvious answer is the need for better appointments.[29] Too often the process of appointing individuals to the board of regents or other higher education boards is a task that becomes simply one of the hundreds and hundreds of other board appointments that must be made. The result is that these appointments fail to get the kind of determined careful attention and pre-selection screening that make for appointments of the quality necessary to create a higher education system of the first rank.[30]

The board role is a demanding one, requiring long hours, stature, sophistication, a willingness to learn how to be an effective board member and a strong sense of public service. In today's political climate, with the proliferation of special-interest groups demanding a voice in decisions, the growing complexity of the university and — in a few states — overly demanding sunshine laws,[51] attracting able board members is harder.[52] The state, therefore, must think about how to communicate the importance of the board role and how to support able people when they serve.

Yet, frequently, the state sends unintended signals about how little it values the board's role. Take, for example, the following editorial from one state:

> Two gubernatorial appointments to a public university board were never confirmed by the state senate. The term of one member of the same board expired, and several months later the governor had made no move to reappoint him. The failure to follow through was acknowledged to be in part a slip-up by the governor's staff. But the editorial comment was that "... it also reflects the status of university [board members]... in the state; no one gets excited about appointments because everyone knows the boards don't do anything." The board members in this state are perceived as largely ceremonial because governors have traditionally used board member's seats as "rewards for political connections and campaign contributions rather than as an opportunity to influence the management of the universities. The end result of this is that ... [board members] are more valuable for their presence at football games and ribbon cuttings than their views on faculty pay plans and tuition levels."

Because there is not always a relationship of trust, presidents or chancellors (and their staffs) often keep their boards directed toward administrative trivia so they will not have time to address serious policy issues....

There seems, as well, to be a misunderstanding about the nature and role of the board. A recent study of the role of presidents found a considerable difference between the way private university and public university boards operate. Every board needs to support and nurture the president. Every board needs to encourage the president to be prudent, yet to undertake essential risks. Every board needs to create the right incentives for proper leadership. Yet relatively few public presidents, as compared with private, indicate that these functions take place to any significant degree in their relationship with their boards.[53] Public university presidents (with some notable exceptions), are much more likely to feel they could not turn to members of their boards for advice and support.

This is partly because public university boards tend to focus on narrow forms of accountability. Too much of the time, they concentrate on administrative rather than policy issues. Boards have the responsibility of ensuring that the university serves the public in the broadest sense. They should, therefore, focus on strategic and assessment issues, i.e., what are the university's goals and how can the university demonstrate it is achieving them? Because there is not always a relationship of trust, presidents or chancellors (and their staffs) often keep their boards directed toward administrative trivia so they will not have time to address serious policy issues, an approach that, over the long term, is always self-defeating. Few boards actually spend any significant portion of their time on the urgent questions of educational policy.

In case after case we found that political leaders viewed boards as failing to exercise the needed leadership — despite the fact that they generated the board appointments and often inadvertently were themselves a force that undercut the board's ability to function. State leaders have been concerned about the failure to address effectively such issues as the overlap and proliferation of programs, excessive competition among universities, lack of clarity about missions, the need for higher standards for admission, the low quality of teacher education, the need for closer university ties to the schools, the effectiveness of undergraduate education and the need for better means of assessment.

Why are boards seen as so ineffective? There are numerous reasons. Clearly, boards are themselves reponsible because they fail to take the leadership necessary to get things done. But they also are hampered by the lack of outside support with the appointment process. Most governors don't seem to recognize the importance of strengthening the selection process; regents often are perceived to be captives of their institutions and thus removed from the issues affecting quality. Many of the nation's strongest lay leaders are reluctant to serve on public boards, pointing up the need for state government somehow to restore incentives for public service. In addition, it is difficult for public boards to do their jobs. Public-interest groups demand a voice in virtually every decision made by a public board, and board members often find themselves caught between government leaders on one side and the public on the other.[34] Often the universities and their boards seem to conduct themselves in ways that create pressure for a structure to reduce the squabbling among institutions.

> As one observer noted, "... board members of individual institutions are assuring their demise and the transfer of such power as they have to centralized councils and boards, by their myopic, unreasoning advocacy of the interests of their institutions as advanced by the faculties and administrations."[35]

In 18 states, boards have responsibilities for multi-campus systems. In another nine, more than one university reports to the board. While every public university board needs a broad view of the public's need, these 27 have a specific responsibility to develop not just institutional but also system strategies.

THE NEW LANDSCAPE OF STATE GOVERNANCE

As states have struggled to find more rational ways to govern a larger and more complex array of institutions, an important change has occurred in the university's relationship with the state. Over the past three-and-one-half decades, three forms of intermediate agencies that function between the state and the university campus have grown in numbers and in influence — the coordinating board, the governing board and the multi-campus system. All are means of organizing multiples of university campuses in some rational form. All have an effect on the translation of state policy into the higher education system, and, particularly relevant to our concerns, all have an impact on the quality of the campus.

The growth of governing boards, coordinating boards and multi-campus systems has made the academic world appear — to the state government — more like other parts of the state. Dealing with the office of the executive director of a state coordinating board is entirely different than dealing directly with the office of the president of a campus. Coordinating boards function in a position between state government and higher education, serving the needs of state government at one point and colleges and universities at another.[36]

When we think about the relationship of the state to the university, we still tend to think in outmoded terms. It is no longer as simple as the state and the university interacting. The president, from his place on the campus with its daily contact with the life of teaching and learning, communicates less and less frequently with the governor and key legislators. The result has been to undercut the aura of higher education as something special, as a community of a different nature to which we accord a special sense of affection and allow an exemption from the myriad of rules the state sets for its agencies. We still hold a special place for the University of Michigan or the University of Virginia, but no one has ever written a song about SUNY.

Each system, governing board or coordinating board can be a means for enhancing the quality and focusing the mission of a campus, or it can inadvertently become a force that undercuts campus quality. It is important to keep in mind, however, as Lawrence K. Pettit argued:

> "Like political science — or perhaps as an emerging branch of that discipline — the study of higher education governance has one unremitting, unassailable (and quite bothersome) law — it varies from state to state. Consider the organization of public universities into systems. Over one-third of the states (Wisconsin, North Carolina, Oregon, Montana, Maine, for example) consolidate all state universities into a single system with only one state governing board. In California, the various 'segments' (doctoral universities, other state universities, community colleges) are organized into separate statewide systems. Illinois supports several public university systems, quite different from one another in most respects. Texas supports 37 public senior universities under 15 different governing boards, six of which govern systems.

> The variety in system arrangements should not mask the important fact that most public universities do not have their own boards, and a significant number of public university presidents and chancellors do not report directly to boards, but to system chancellors or presidents."[37]

After a long period of growth in the number of multi-campus systems, higher education governance has entered into a period of relative stability. Few new systems are now being formed.[38] Similarly, the growth of governing boards has also slowed. Since 1970, the current system of higher education governance has been largely in place.[39] When concerns about governance come up, there has been a tendency to strengthen the powers of coordinating boards or to create them in those states where they have not existed. In part, this reflects the slowed growth of higher education; in part, it reflects concern about the effectiveness of systems. It reflects, as well, a strong sense among campus presidents that coordinating boards are easier to deal with than systems.[40]

This is the key consideration: What is the ultimate effect at the campus level on teaching, learning and scholarship?

Understanding the functioning of a system of higher education institutions in any of the three forms is not simple, particularly because many states have both a coordinating board and one or more multi-campus systems. Such an organization has multiple parts, each of which is dynamic, yet connected to the whole. In a way, it is more like understanding a Rube Goldberg machine than an ordinary organization chart. It is hard to predict what effect state policy will have after it leaves the statehouse, works its way through these agencies and finally reaches the actual campus. Yet, this is the key consideration: What is the ultimate effect at the campus level on teaching, learning and scholarship?

Understanding these forms of organizing is important. Despite the slowdown in the growth of multi-campus systems, there is little likelihood that they will be abolished or atrophy. Many of the country's most important universities are within multi-campus systems, including about half of those named by the presidents as the highest-quality campuses. As Clark Kerr noted, "More than half of all students in the United States are on campuses that are part of systems, and approximately one-half of all public campuses ... are combined within systems."[41] Similarly, there is little likelihood that the powers of governing or coordinating boards will be diminished.

THE PROMISE OF SYSTEMS AND GOVERNING BOARDS

In addition, multi-campus systems were created to meet real needs. They are intended to provide the means for thinking about how the whole of the higher education system is to serve the public, to resolve questions of mission among multiple university campuses and to set priorities among institutions. In the words of Joseph F. Kauffman, "… the justification for a system is planned, purposeful diversity to serve all of the population better, improved planning and coordination, and keeping the state government officials from deciding academic program and educational priorities by making those tough priority decisions within the system."[42]

The problem is not that there are multi-campus systems or consolidated governing boards. If they did not exist they would, in most cases, have to be invented. Therefore, the critical question is whether new approaches or a better understanding of the operation of the systems of higher education can be developed so that extant systems and boards can serve as constructive forces in state policy.

If there is recurring pressure from state governments for some more effective form of governance, what is it that the state hopes to accomplish? Both from the recent plethora of commission reports and from our own interviews, the promise of systems and governing boards is that they would:

- Allow the energies of those at the system or governing board level to focus on broader policy issues so that there is a continuous effort at planning that reflects the ever-changing demands on higher education
- Buffer the campus from inappropriate intrusion and free campus presidents from the demanding task of interaction with the state and allow them to focus their energies on academic programs at their institutions — allowing the hiring and retention of more able presidents
- Empower the chancellor and the board, from **within** the academic community, to make the decisions necessary to ensure the effectiveness of the whole of higher education, e.g., the need for missions that, in sum, meet the state's needs
- Improve the communication between higher education and the state, in turn building a sense of trust and greater stability, particularly in reducing the state desire for reorganizing higher education

How well have systems and governing boards done in meeting these hopes?

PROBLEMS WITH THE MULTI-CAMPUS SYSTEM

Of the three types of systems of governance, perhaps the most has been expected of the multi-campus system. Yet it is this system that is most susceptible to problems unless great care is taken. We need to recognize that the term "multi-campus system" includes a variety of quite different organizations and entities (see Appendix 3). Perhaps the most vexing problem is that for those that encompass a variety of types of campuses (research universities, state colleges, community colleges) in one system, there is a tendency to level the research campuses down so that all campuses look more alike and lose their diversity. This is particularly true where there is collective bargaining.[43]

Systems tend to create more bureaucracy, more layers of management and administration. The bureaucracy often results from the system's efforts to prevent criticism from the state government, some of which should be resisted.

> A number of years ago, a system with a large number of campuses issued an extensive policy covering the operating procedures for campus police, including the requirement that all campus police be armed. The policy resulted from media stories of an incident that led the board and several legislators to criticize the system. The incident involved an unarmed campus policeman who responded to a burglary report and was threatened by a knife-wielding intruder. Whatever its other merits, the policy, instituted with no discussion among the campuses, undercut the long efforts of several presidents to build a different image of their police.

All too frequently, the system office or board spends time on what are essentially campus issues. There is an almost inevitable tendency to build a bureaucracy to match that of the state in order to deal effectively with the state. Likewise, the campus tends to build a bureaucracy to match that of the system in order to deal with the system. Some multi-campus systems have reached the point where they are more bureaucratic in their operation than the state government itself.

"The governance of systems is one of the really sore points in American higher education; a few systems seem to exist on the verge of explosion."

Clark Kerr

> In one case, the state finance director and several legislators each told us independently that they had opposed constitutional autonomy proposed for one of several multi-campus systems in the state because they felt that the interest of the campuses would be better protected by the state government than by the system headquarters, which they saw as overly bureaucratic and intrusive.

According to Kerr, "The governance of systems is one of the really sore points in American higher education; a few systems seem to exist on the verge of explosion."[44]

There is also a tendency for the campus to lose academic autonomy (and consequently flexibility and initiative) to the system. In these cases, the system's office simply becomes a super-president's office, centralizing many decisions better addressed on campus. Systems tend to become vehicles of bureaucratization rather than buffers against it. This has been most evident in those systems that have failed to see that the campus president must play a different role from that of the system chancellor. Both must be effective leaders, but in differing roles and modes. The chancellor must support and encourage campus leadership, ensuring that each campus has the flexibility to be different, to be dynamic and to strive for quality. The chancellor must, therefore, select and nurture aggressive and imaginative campus leadership, but leadership that operates within established system ground rules.

A successful system, both with regard to the roles of chancellor and the roles of the institutions, depends not on the choices of either centralization or decentralization. Rather, it depends on centralizing (and decentralizing) the right things. The day-to-day management of academic programs, including appointments and promotions, the development of the curriculum and the management of campus life belong at the campus level. The establishment of system priorities, the relationship of the university to the state government and the public at large, and the creation of fiscal controls are central functions. A clear understanding of the differences, by all parties, including the state government is essential.[45]

GOVERNANCE STRUCTURES AND INAPPROPRIATE INTRUSION

There is another concern that the governance structure on occasion becomes a force for amplifying inappropriate intrusion rather than buffering against it. If, for example, the system leadership is overly sensitive to the political winds, it will force the institution to move in directions that may be counterproductive, a condition all the more dangerous because it comes from within the system. The countervailing forces from the campus, the need to understand the centrality of faculty and student concerns, are felt in only a weak or limited sense at the system headquarters or within the staff of the governing boards. System officers are often not in daily touch with campus activities and with students and faculty. The danger exists that the needs of these groups lose their sense of immediacy compared to the needs of legislators and others with whom system officials do have more direct contact.

One reason these structures lend themselves to increased intrusion is that it is harder to recognize the boundary line between state government and the university. Where there is a single university with its own board, the president is universally perceived as a part of the university and not a member of the state administration. But what of the chancellor of a system? Surely, for an effective academic environment, the chancellor must also be seen as an academic leader. But then, what of the commissioner of higher education appointed by a governing board or an executive director reporting to a coordinating board? Behavior that would seem inappropriate for the president may seem less so as one is further and further removed from the campus.

It is important to keep in mind that a crucial role of a campus president is to combine a responsiveness to the external (i.e., public) needs as well as the internal necessity to build an academic community through leadership of the faculty and responsiveness to student interests. If a president ignores the

external needs, he or she may create a situation in which intervention by the system officials is inevitable. At the same time, the system officials have a primary obligation to address external concerns while supporting campus presidents in their responsibility to create an exciting and effective learning atmosphere on campus. When those higher education officials attempt to act in the place of the campus president, or the campus president ignores important external considerations, a distorted and one-sided approach to policy results.

> In one multi-campus system, the president of the major university campus announced without warning to the system chancellor and board that he intended to find additional funding for his campus' research and teaching functions by cutting support for the politically popular university extension service. In response to strong reactions in the state legislature, the system chancellor — who was perceived primarily as a politician and bureaucrat — fired the campus president for being insensitive to the external consequences of his actions. Allegations were then made — with the active encouragement of the campus president — that the chancellor was ignoring the efforts of the president to build a strong university. The controversy led to legislative proposals to separate the campus from the system. The governor and legislature finally agreed to establish a special commission to study the issue. The commission recommended that the campus be retained within the system but that there be a clearer delineation of the differing responsibilities of the chancellor and the campus presidents.

Campus ambition and energy are essential. Without them there cannot be a university of high quality. But they must be channeled by the system leadership into the task at hand, not allowed to run wild or be ignored or stifled.

The critical job of the coordinating board, the governing board or the system headquarters is to set priorities for the whole system and to nurture the ability of the presidents to lead within those priorities. When the board or system is unsuccessful at this task, it tends to focus on administration, which leads in turn to inappropriate intrusion into the affairs of the campus. Consider the situation in one state, as described in a newspaper editorial.

> "In a time of financial crisis for state government in general, the university ... needs advocates, especially on its board of regents, who conduct themselves with the quiet dignity, candor and cordiality that one would expect from representatives of a great institution.
>
> Regents are the guardians of a university's integrity, placed beyond normal political controls. Regents have profound responsibilities; they are policy makers, not managers and administrators; they are fund raisers for the whole university, not just for favored projects; they set the time and the standards of the university; and they work quietly, not as political actors pursuing private feuds and personal interest, but as guides,

> philosophers and friends who cherish the principles of free inquiry and the institutions and traditions that make it possible.
>
> [The university] does not need spectacles from the political gymnasium drowning out its genuine and crying needs. It does not need public browbeatings of its president, harangues over affirmative action which only demean its importance in our still racist and sexist society. It does not need regent lobbyists for football stadiums when humanities scholars with more than 20 years experience still make less than $30,000 a year, nor does it need regents meddling secretly or for effect in administrative procedures regarding student discipline.
>
> The university … needs advocates of Jeffersonian bearing and beliefs who work for the good of the 'academical village' because they fervently believe in its vital contribution to a free and prosperous society."

The irony is that, instead of the frequently articulated goal of enhancing efficiency, the system or board, by undercutting campus administration and adding to the bureaucracy, often adds to the inefficiency.

THE CAUSES OF INTRUSION

A review of the long list of factors that cause intrusion into the university makes clear why it happens so often. They include:

- Confusion over institutional missions, compounded by the unchanneled ambitions of some colleges and universities
- Overlap of institutions and programs and even a sense, in a few states, that there are too many colleges and universities
- A focus of boards and systems on administrative matters rather than policy
- A need for more effective leadership — at the campus, the system or board and at the state
- The desire of political leaders to force the university to respond to changes in the state's economy, geography and demography
- The tendency of some political leaders to look toward self-interest rather than public interest
- The desire of bureaucracies at all levels to exercise power
- Patterns of funding and criticism that create counterproductive incentives for universities
- Campus attempts to subvert the ordinary mode of governance to achieve short-term gains or to serve narrow self-interests
- The failure of those on campus to take state leaders and state needs seriously

Given this list, it is surprising that so much gets accomplished. Even more encouraging, states are experimenting with new forms of funding, new forms of recognition and with ways of cutting away excess bureaucracy that hold real promise.

NOTES

1. Harold Enarson has pointed out that state universities have always been creatures of the political process, that their founding itself was by an act of the state government during the passage of which the debate about purpose, location and other issues was resolved "politically" (speech to the ECS Advanced Leadership Program Seminar for state legislators, Kansas City, Kansas, September 19, 1985).
2. We are indebted to Maurice Kogan, the British scholar of higher education, for pointing out how much state purposes were involved in the founding of and rules for European universities.
3. Clark Kerr attributed much of the growth of intrusion to the advent of more state "technicians" who get further and further into the budget. State staffs are large, there has been a growth of systems and coordinating boards, and there is more willingness to address a broader range of issues.
4. Letter from Jack C. Faust, Princeton University, Office of Occupational Health and Safety, April 12, 1985.
5. William T. Pound, "The State Legislatures," *The Book of the States* (Lexington, Ky.: Council of State Governments, 1984-85), pp. 80, 81.
6. The role of state legislatures has grown dramatically in the past 30 years, paralleling the overall growth of state governments. In addition to the increase in the number of legislatures meeting on an annual basis, the growing number of legislatures that meet on a year-round basis and the dramatic growth in legislative staffs, there has been (a) an increasing independence of the legislature from the executive branch in areas such as fiscal analysis, revenue estimation, program evaluation and information systems; (b) tensions between the legislative and executive branches in some states (court challenges in Colorado, South Carolina and Wisconsin) on legislative dictation of executive action through notes on budget and appropriations bills; and (c) intensifying lobbying pressure, reflecting the shift of domestic policy making from the federal to state governments (the number of registered lobbyists has doubled in some states since 1983). (See Pound, "The State Legislatures," *The Book of the States*, 1986, pp. 76-81.)

7. Pound, 1984-85, pp. 82-83.

8. Pound (1986) observed that "U.S. Supreme Court rulings on legislative districting in *Baker v. Carr* (1963) and *Reynolds v. Sims* (1965) ... [requiring] equality of representation based on population in both houses of the state legislature have resulted in a shift of power in many state legislatures from rural to urban, and especially suburban, interests and, inevitably, a change in the composition of legislatures. The number of farmers and lawyers has declined, while the number of educators, urban professionals, women and racial minorities has grown." These changes mean that fewer legislators and their staffs are in awe of the university and are far more inclined than in the past to have confidence that they are as well, if not better, equipped than the university to make higher education policy.

9. James C. Wallace, assistant chancellor for fiscal affairs. *"Incentives for Improvement in Higher Education, New Jersey: A Case Study,"* New Jersey Department of Higher Education, August 1986.

10. Ann Spruill, "State Policy On Partnerships Between Higher Education and Industry, " *Living On The Leading Edge*, ECS working paper No. PS-86-2; see also Maryland Board for Higher Education, "State Initiatives to Promote Technological Innovation and Economic Growth," June 1986.

The practical facets of each of the generic forms may be present in any one type. The following are offered as suggested examples of Spruill's forms of state initiatives:

Human Capital Programs:
  The Advanced Technology Development Center (Georgia)
Research Development and Technology Transfer Programs:
  Center for Innovative Technology (Virginia)
  Corporation for Science and Technology (Indiana)
  The Thomas Alva Edison Partnerships (Ohio)
  The Ben Franklin Partnerships (Pennsylvania)
  The Industrial Technology Institute (Michigan)
  Microelectronics centers in Minnesota, North Carolina and Wisconsin
  Seven specialized technology centers in New York
Entrepreneurship Training or Business Assistance:
  Institute of American Enterprise (University of Texas)
  Center for Entrepreneurial Studies and Development (West Virginia University)
Information-Gathering and Dissemination:
  Michigan's database of industry-related research conducted at its universities
  Rhode Island's listing of areas of expertise of state faculty
Provision of Financial Capital and/or Physical Property Rights:
  The Massachusetts Technical Development Corporation
  The State of New York Seed Venture Capital Fund

Innovation centers in Iowa, Louisiana, Missouri, Nevada, New Mexico and Washington which assist inventors in developing their ideas with the intention of bringing them to market

An echo of the American experience is being heard throughout the United Kingdom and Europe. In 1980, there were just 10 science parks in Europe. By 1985, there were 47. The goals established varied in each country — France chose to emphasize regional development; Germany, technology transfer; the Netherlands, local initiatives. In a study focused on Europe, Spruill found that as the financial strains on the universities in the United Kingdom grew, public money created a new wave of parks linked to universities but with no significant involvement of local government. Of the 35 parks in existence in 1986, two now have local authority involvement as well.

There is even a growing presence of formal programs supporting entrepreneurial efforts. Programs using business, government and university funds have been established by consortia in five regions in Britain, the largest at Durham University. Despite the changing attitudes toward graduate enterprise in Europe, there is still a vast difference from the United States. Approximately 2% of U.S. graduates start their own business; in the United Kingdom, the figure is just one-third of 1%, and in Europe, estimates are even lower.

11. James D. Nowlan, *The Politics of Higher Education: Lawmakers and the Academy in Illinois* (Urbana, Ill.: University of Illinois Press, 1976).

12. New Jersey recognized a precipitous decline in SAT scores among its education students; graduates of almost all other courses of study were far better prepared for their professions than teacher education graduates. The state, therefore, took several steps in 1985 to rectify the situation. Among these were the requirement that education students must now major in one of the liberal arts or sciences as well as in their professional studies; they do not begin their professional component until the third year (concentrating instead on the basics in the first two years); they must pass the National Teacher Examination for their certification. While two years is too short a time to assess any change correctly and accurately, the general feeling is that there is definitely a change for the better (telephone conversation with Celeste M. Rorro, director of teacher certification, New Jersey Department of Education, April 21, 1987).

13. The Carnegie Task Force on Teaching as a Profession projects that between 1986 and 1992, 1.3 million teachers will be hired. It estimates that 23% of each college graduating class will be required to meet the need for teachers projected for the early 1990s (*A Nation Prepared: Teachers for the 21st Century* [Washington, D.C.: Carnegie Forum on Education and the Economy, 1986], p. 31).

14. When is a state's intervention in testing for teacher quality intrusion and when is it good leadership? That may depend on when, during a teacher's career, competency is tested, and how. For example, 23 states have entry exams for students wishing to declare education as their major. Here the state in effect is telling students that their judgment about their aptitude for teaching is not to be trusted. The further message is that they cannot be expected to grow into their chosen profession should they test below the exam's cut-off point.

    At the other end of the spectrum, four states are experimenting with on-site assessment of teachers by trained observers. Virginia waits until teachers have worked in their field one year and passed other requirements before they are observed.

    In general, teacher quality control was an issue that was taken on by the states because the profession itself did not come forward with reforms. After initial resistance because they believed that this was not the proper domain of state government, professional organizations are now developing programs to test their teachers (and teacher education programs).

15. Twenty-four states reported having statewide minimum admissions standards in effect for their public colleges and universities in 1984-85. In 13 of these states, institutions are not allowed to exceed state requirements, while the other 11 states allow individual institutions the authority to impose more stringent admissions standards. In states that don't set their own admissions standards, authority to set them rests with the governing boards of individual colleges and universities. Reflecting on the 1983 recommendations of the National Commission on Excellence in Education in *A Nation At Risk*, about one-quarter of the states acted to strengthen admissions requirements from 1983 to 1985. Most changes involved imposing or strengthening a prescribed pattern of high school coursework. Others raised minimum test scores. The most significant increases occurred at the major state university campuses. Louisiana enacted a statute prohibiting a high school graduate from attending a state college unless the student achieves a certain ACT score to be established by the state boards for higher education and elementary/secondary education (H.B. 885, 1985). Colorado enacted legislation requiring the state coordinating board to set minimum admissions requirements for each institution in the state. The standards stratified students among institutions according to academic preparation for college, with the most stringent requirements at the major state universities (H.B. 1187, 1985). (See ECS Clearinghouse Notes, September 1985; Margaret E. Goertz and Linda M. Johnson, *State Policies for Admission to Higher Education*, College Board report No. 85-1 [New York: The College Board, 1985]).

16. It is interesting to note that it was the National Governors' Association that produced the report, *Time for Results: The Governors' 1991 Report on Education* (1986), that addressed, among other issues, the quality and

effectiveness of American higher education and how to demonstrate or assess the achievement thereof.

17. Enrollment trends varied among regions during this time; however, only the Southwest reported a slight increase (1.5%). All other regions decreased in their enrollment: Plains (-5.3%), Northeast (-5.9%), Southeast (-7.5%), Mideast (-9.8%), Rocky Mountains (-15.7%), Great Lakes (-16.6%), Far West (-21.1%). There was a greater variation among individual states, of course (American Council on Education, *Fact Book On Higher Education, 1984-1985* [New York: ACE and MacMillan Publishing Co., 1984]).

18. *Report of the Visiting Committee to the University of Maine* (Augusta, Maine: Visiting Committee, January 1986).

19. A similar condition in Australia led the federal government to use the budget to pressure for a reduction of the colleges of advanced education (the closest American equivalent would be the four-year state college), from 97 to 47.

20. The first recommendation of the chapter on college quality in *Time for Results: The Governors' 1991 Report on Education* reads: "Governors, state legislatures, state coordinating boards and institutional governing boards should clearly define the role and mission of each public higher education institution in their states. Governors also should encourage the governing boards of each independent college to clearly define their missions" (p. 160).

    Immediately following this, the second recommendation reads (with explanation): "Governors, state legislatures, coordinating boards, governing boards, administrators and faculties should re-emphasize — especially in universities that give high priority to research and graduate instruction — the fundamental importance of undergraduate instruction.

    The predominant model to which most colleges and universities currently aspire is that of the research university. Current reward structures for promotion and tenure in American higher education often encourage faculty to concentrate their efforts on research-oriented tasks. This can lead to a loss of institutional enthusiasm for undergraduate instruction.

    Institutions, and the faculty who teach in them, must have the strong encouragement of governors, legislatures and coordinating boards to hold undergraduate instruction in special trust and give it special attention.

    The task force of governors fully recognizes the synergism that exists among the functions of teaching, research and public service. Further, the governors understand that undergraduate students benefit from the enrichment and example of faculty engaged in research and service activities.

    There are several ways in which this can be furthered. Governors, state legislatures and coordinating boards should encourage public discussions of the nature of undergraduate education on each college and university campus, public and private, two-year and four-year.

Governors, state legislatures and coordinating boards also are encouraged to develop funding incentives for institutions that reward quality undergraduate teaching and student learning."

21. Not all of the major state universities are located in remote areas. The University of Washington, the University of Wisconsin at Madison, the University of California at Berkeley and the University of California at Los Angeles are examples of the opposite.

22. The obvious solution for those cases where there is truly a need for locally available Ph.D. degrees — a joint effort under the supervision of the research university — has not been well received by the regional universities.

23. Informal conversation with Lyma[redacted].

24. One state wished to build its own dental school. The state's higher education commission recommended to the legislature that such action was not in the state's best interest, especially as it had the opportunity to exchange its few dental students for another state's veterinary students. Acting against this recommendation, the legislature established the dental school anyway. The commission was then accused of focusing too narrowly on educational reasons for its recommendations and of ignoring political realities.

25. Letter from University of California President David P. Gardner to Frank Newman, January 30, 1987.

26. As Kerr pointed out in a conversation with us, they have a fourth task, to fire the president (October 8, 1986).

27. Kerr's study of presidents led him to conclude that boards are increasingly inclined to get into administrative matters, sometimes for the best of motivations. Boards are also less able to take the long view. Presidents are especially worried about growing board intrusions (*Presidents Make a Difference: Strengthening Leadership in Colleges and Universities* [Washington, D.C.: Association of Governing Boards of Universities and Colleges, 1984]). Also see Appendix 2.

28. There are excellent summaries of how to conduct presidential searches written expressly for boards. These show that there is frequently lack of candor between the board and potential presidents, sometimes carelessness, rudeness and lack of confidentiality. Kerr argues that considering how many searches are conducted, society is getting better presidents than it deserves.

29. In five states (seven universities), members of the board of a major state university are elected. Even here the process can be improved by screen-

ing. In Illinois, the slates for board election are nominated by a committee of university administrators.

30. Kerr's study recommends "constituting boards with persons devoted to the long-term welfare of the institutions for which they are responsible" and "eliminating (where it still exists) political patronage in the selection and retention of staff."

31. Harlan Cleveland examines sunshine laws in *The Costs and Benefits of Openness: Sunshine Laws and Higher Education* (Washington, D.C.: AGB, 1985). In it he defines the "trilemma," composed of (1) the public's right to know, (2) the individual's right of privacy and (3) the public institution's mandate to serve the public interest. None of these three elements is of more importance than any other, and each of them must work in harmony with the others — "ethics is the art of combining them," he says.

32. A side issue here is the dilemma of allowing board members to be politically active (endorse candidates, support campaigns, run for political office) or of penalizing them after they have done so. Functioning as a trustee is a political endeavor, and certainly capable trustees are political creatures. Forbidding or penalizing them for outside political activities may discourage able people from taking board positions. In one state, a board member who ran for governor in 1986 was refused reappointment to the board based on his (unsuccessful) campaign ("College Officials Who Want to Take Part in Politics Must Strike a Delicate Balance," *The Chronicle of Higher Education*, November 5, 1986, p. 23).

33. Kerr, *Presidents Make a Difference* and private conversations with Frank Newman.

34. Robert L. Gale, president, AGB, in a letter to Frank Newman, March 17, 1987.

35. John Corson, *The Governance of Colleges and Universities*, revised edition (New York: McGraw-Hill, 1975).

36. When the Colorado Commission on Higher Education was reconstituted in 1985, the legislature directed the commission to undertake several specific studies and to report back to the legislature. These included a study of how to reduce the number of teacher education programs and of community college governance. The commission must be responsive to the legislature, and, in some respects, it serves as an arm of the legislative staff. From the viewpoint of legislators, the commission is more part of state government than of the higher education community. At the same time, to be effective, an agency such as this must function in ways that build a reputation of trust and fairness, if not always agreement, with the higher education community. Other coordinating boards such as the California Postsecondary Education Commission and the Florida Postsecondary Education Commission serve in similar "in-between" roles.

37. Lawrence K. Pettit, "The Administration of Public University Systems: An Organizing Perspective," *When Colleges Lobby States: The Higher Education/State Government Connection*, Leonard Goodall, ed. (Washington, D.C.: American Association of State Colleges and Universities [AASCU], 1987).

38. A few continue to develop as a result of the further development of branch campuses by a flagship campus, such as the branches of the University of Colorado which continue to expand in Denver and Colorado Springs.

39. No new coordinating boards have been established since then, with the exception of commissions such as the ones in Alaska and Nebraska that evolved from federal legislation (Sec. 1202 of the Higher Education Act of 1965, as amended in 1972 and subsequently repealed), which required states to establish or designate state commissions to be eligible for federal planning funds. On the other hand, coordinating boards in Massachusetts, Wisconsin and North Carolina were abolished and replaced with consolidated governing boards. In any year, three to five states will debate formation of a consolidated governing board structure, but, in most cases, the choice is to strengthen the coordinating board instead.

40. Interview with Kerr on his study of presidential leadership.

41. Kerr, p. 71.

42. Joseph F. Kauffman, *At the Pleasure of the Board: The Service of the College and University President* (Washington, D.C.: ACE, 1980), p. 79.

43. While we did not undertake any systematic analysis of the effects of collective bargaining, a common concern of those interviewed was that it had the effect of pushing the system toward equal conditions for all. While admirable for some factors, this causes, in many cases, a leveling, particularly at the research university. This became a major issue at both the universities of Maine and Wisconsin. The Visiting Committee to the University of Maine found that " ... since creation of the multi-campus university, there has been a blurring of the distinctions among the institutions, a kind of homogenization. . . ." The committee found that the share of the system's discretionary funds allocated to the University of Maine at Orono, the land-grant university and largest institution in the state, dropped from 55% to 48% between 1972 and 1985. At the same time, faculty salaries fell far behind those in peer institutions, while the faculty salaries at the other smaller campuses were comparatively better, yet still behind their peers. The committee did not attribute this leveling effect to systemwide collective bargaining (implemented in 1974) but noted that "collective bargaining ... is not known for encouraging diversity, but there is nothing in collective bargaining to prevent diversity if it is seen to be important enough to be on the agenda for discussion. Members of the teaching profession are interested in the conditions for teaching and

learning as well as the financial reward" (Report of the Visiting Committee to the University of Maine, pp. 7, 8 and 11).

44. Kerr, p. 71.

45. For further discussion of the distribution of authority, see AASCU, *Institutional Rights and Responsibilities* (Washington, D.C.: AASCU, Nov. 9, 1971); The Carnegie Commission on Higher Education, *Governance of Higher Education: Six Priority Problems, A Report and Recommendations* (New York: McGraw-Hill, April 1973), pp. 25-27; Board of Governors, *The Code*, (Chapel Hill, N.C.: The University of North Carolina, July 1972); and Kerr, pp. 84-86.

IV. CREATING A POSITIVE CLIMATE

An active state role representing the public interest is essential, but how the state plays that role has a profound effect on the outcome. Obviously, state involvement can be both positive and negative, as can the role of the university. Success on the part of the university — achieving a high level of quality and a responsiveness to the state's long-term interests — leads to willingness on the part of the state to provide more resources and ultimately more autonomy. That is, high quality can help a university maintain an appropriate relationship and combat inappropriate state meddling; poor performance appears to have the opposite effect. Which comes first is debatable; the effect is not.

The state's responsibility, in addition to providing funding, should include the willingness to:

- Resolve issues between the state and the university and build public confidence
- Decentralize the decisions as to how to achieve the university's purposes and centralize overall policy and goals
- Value diversity among campuses
- Be explicit about institutional missions — define the arena within which the institutions can innovate and aspire
- Recognize the value in geographic balance lest political forces be created that undercut all of the above
- Create appropriate incentives (and eliminate disincentives) for every campus to push itself to change and improve
- Recognize quality publicly

For such a system to work successfully, there must be open discussion and a shared understanding about these points.

States need to develop a variety of policy tools that allow them to set the appropriate climate that draws the university toward quality. To be limited to only one approach or to only a few approaches for such a complex problem is inadequate. **A range of options can provide the state with choices that better match means to goals — the elimination of out-moded bureaucratic controls that provide disincentives for institutions to assume responsibility for**

improving their internal management, state leadership in setting an agenda for reform, the initiation of state competitive grant programs that reward universities for entrepreneurial efforts to strengthen programs consistent with their missions, steps to inhibit efforts to circumvent the governance process by those within the university, public support of those academic leaders who take the risks that are part of building toward quality and the use of governing boards and multi-campus systems in ways that create a climate of excellence. The key to achieving both the necessary institutional independence and yet the willingness to change is for state leaders to create a climate that encourages the appropriate initiative from **within** the university.[1]

An encouraging development is that several states recently have begun to experiment with innovative ways to encourage universities to move themselves forward.

High quality can help a university maintain an appropriate relationship and combat inappropriate state meddling; poor performance seems to have the opposite effect.

MOVING TO CUT BACK BUREAUCRACY

The level of bureaucracy the state imposes is not fixed or immovable. In the last few years, at least six states — Colorado, Hawaii, Kentucky, Maryland, New Jersey and New York — have moved to reduce the burden on campuses while defining more clearly campus responsibilities.[2]

NEW JERSEY

> As part of an effort to improve the quality of its public higher education, New Jersey has been moving to free its state colleges and universities from the constraints of the state bureaucracy. In 1982, the legislature granted the University of Medicine and Dentistry of New Jersey autonomy from many of the more burdensome state fiscal and procedural controls applicable to other state agencies. Rutgers, the state's major university, had always been exempt from such controls. In 1985, Governor Thomas H. Kean proposed that similar autonomy be extended to the state colleges. He argued that the state needed institutions of higher education as good as the best in the United States to meet its own goals for development and that both incentives to improve and greater flexibility were needed to achieve such quality.
>
> Examples of the controls that had been applicable to these institutions include: All transactions, including purchases of equipment and contracts, were subject to rigid pre- and post-audit review and approval by the Treasury Department; all revenue generated through tuition or other

means had to be deposited with the department — the institutions received a state appropriation for an approved expenditure budget and had no revenue of their own; all faculty members were subject to the state civil service system, and all appointments and other transactions had to be approved by the state personnel board.

The governor's legislation proposed three steps: (1) establishment of a state college governing board association that serves as an advocate for the autonomy of the colleges and has authority to file suit; (2) authorization of the colleges to contract and handle all their own transactions without going to the treasury; (3) empowerment of the boards of trustees to manage their institutions, including having responsibility for the institution's fiscal operations. The association was approved in 1985, but strong opposition from the state affiliate of the American Federation of Teachers led the legislature to delete the removal of faculty from civil service. The Senate finally passed the bill in June 1986 over intense union opposition. The details of implementation will now be worked out over three years under the direction of the Department of Higher Education. Each college is to develop its own plan (over a maximum of three years) for assuming responsibilities as specified in the new legislation.

The key to achieving the necessary institutional independence and yet the willingness to change is for state leaders to create a climate that encourages the appropriate initiative from within the university.

HAWAII

For years, the University of Hawaii has been subject to bureaucratic controls applicable to state agencies but inconsistent with the role of a major state university. The Hawaii legislature in early 1986 enacted legislation to provide the university with greater flexibility in budgeting and expending appropriations. Specifically, the legislation allowed budget requests and expenditures of appropriations to be made according to the university's own priorities as long as they were within the budget and allotment ceilings established by the governor. Most of the provisions of the legislation had been implemented administratively by the governor.

These changes were prompted by the decision of a prominent higher education leader to withdraw as a candidate for the presidency principally because the state's detailed bureaucratic controls of the university signaled a lack of commitment to the encouragement of a first-class institution. In addition, the regional accrediting association had threatened to place the university on "warning" status unless significant improvements were made in state/university relations. In enacting the changes, the legislature still expressed concern that the university was not "capable of handling its own affairs." But in light of the university's new strategic plan, the appointment of a new president and an administrative reorganization, the legislature indicated that it was willing to go along with the changes and to give the university an opportunity to demonstrate its capabilities.

COLORADO

In Colorado, the state's role became increasingly intrusive until 1981 when the state legislature and the higher education governing board signed a Memorandum of Understanding (MOU). Operating on good will, without the force of law, the MOU nevertheless succeeded in gaining increased budgetary management flexibility for the governing boards. In turn, the governing boards agreed to limit their requests for budget increases.

Detailed line-item budgeting emerged in the early 1970s after an unfortunate series of events that seriously undermined trust between the legislature and the university. For example, when the fact that Colorado ranked low in faculty salaries was cited, the legislature approved a faculty salary increase of 7%. When faculty members complained, however, that they had received only about 4%, the legislature vowed to line-item salaries the following year. The university's rationale was that other costs were increasing and that funds had to come from somewhere. The "other costs," however, did not have the lobbying power of the faculty.

In the mid-1970s, an increase intended by the legislature for student aid helped fund 172 new administrative positions, an action which did nothing to foster cordial university/state relations. The more the legislature moved to line-item expenditures, the more universities were forced to lobby on every issue.

The increasing level of mutual mistrust had led to ever-expanding line items. Footnotes with precise expectations for expenditures were added to lines. One result was a growing political bias to higher education decisions. Community and small regional colleges were particularly vulnerable because they could serve the needs of individual legislators seeking to establish larger or more prestigious schools in their districts. (One legislator was instrumental in getting expansion funds at a community college, which later dedicated the building to him.) There were many other instances in which political motivations rather than educational needs seemed to determine the choice of building at community colleges.

Legislation reorganizing the higher education system was finally enacted in 1985, with certain aspects of the MOU incorporated into it. The bill included reforms in financial matters, institutional roles and missions, admissions standards and higher education accountability. It also re-established the Colorado Commission on Higher Education (CCHE), increased its authority and made several other changes.[3]

The MOU between Colorado's governing boards of higher education and the Joint Budget Committee of the General Assembly reduced the legislative responsibility to two budget decisions: (1) number of full-time equivalent (FTE) resident students and (2) appropriation per such student. All other decisions became the responsibility of the governing boards, which also received authority to carry forward unspent funds.

KENTUCKY

An unfortunate side effect of a 1936 reorganization of Kentucky's state government was increasing centralization of fiscal control of state colleges and universities.

"By the mid-1970s, the state department of finance controlled all procurement for higher education, including capital projects. Almost all university funds, including student fees, were accounted for centrally, and most paychecks and vendor payments were written centrally ... causing long delays. ... Goods and services purchased were not always the best value for the money. Inefficiencies arose also on campuses where the prime responsibility of administrative units was 'pushing paper' through the state bureaucracy."[4]

In 1981, by directive of Governor John Y. Brown Jr., two consulting firms began a study of management practices and funding levels of the state colleges and universities. They concluded that heavy state control prevented managerial and administrative improvement of Kentucky's institutions of higher education. The consultants recommended changes in " ... purchasing, personal service contracts, printing, computer purchases, out-of-state travel, payroll, surplus property, the selection of architects and engineers, the oversight of capital construction and the treatment of claims. Many of these recommendations, which were presented with more than one alternative, were incorporated in House Bill 622, which passed during the 1982 session. ..."[5]

House Bill 622, the "Universities Management Bill," reversed 40 years of state centralization. Purchasing may now be done on campus, from suppliers of choice, even cooperatively if desired. Institutions may initiate their own capital construction, making their own decisions on everything from first plans to final landscaping. Accounting and auditing is streamlined, with expenditures being made from each campus and the state reimbursing each campus daily for its disbursements the previous day. By law, each campus is required to hire qualified accountants for an annual audit.

An important feature is that each institution may exercise some or all of these options (or none), dependent on its staff, experience, resources or inclinations.

MARYLAND

As late as 1983, "state officials seriously questioned the need to treat institutions of higher education any differently than other state agencies. . . ." The result was an adversarial climate of distrust and dissension between the state and the university, centering specifically around the state's budget process. As a "strong-governor" state, Maryland's executive branch reserves the right to prepare the budget, allowing the General Assembly only to delete, not add, items.

"Four-year public institutions were required to support detailed budget requests with extensive documentation. Requests for funds above a 'Maximum Agency Request Ceiling' imposed by the governor had to be presented separately and stood slight chance of approval.

The [Department of Budget and Fiscal Planning], the State Board of Higher Education and the legislature all reviewed budget requests, and the two state agencies used different approaches. [As a result], the data required by the two agencies differ and are difficult to compare."[6]

There were also other problems created because the state budget office controlled federal funds, including research grants, gifts and the flow of funding from the state's General Fund. Unexpended and unencumbered funds went back into the state treasury at year's end, as did interest income from investments. Finally, purchase of services, commodities, supplies, construction and even computers were severely circumscribed by state procurement laws.

On July 1, 1984, legislation took effect that began solving some of these problems. The new budgetary flexibility meant that institutions could transfer up to 5% of funds among programs without state approval; positions could be transferred among programs (within certain guidelines); unexpended special and federal funds would be carried over from one fiscal year to the next; interest income from tuition, fees, room and board would be credited to each institution's account as would 50% of the overhead from research grants; private gifts would be used as their donors wished and not substituted for state general funds; and institutions could now buy computers (used solely for academic and research purposes) outside the state purchasing requirements.

Furthermore, a Finance Advisory Committee that began meeting at the beginning of 1984 recommended consistency in the budget format, reducing the number of budget programs (and support detail) and allowing each institution a certain amount of unrestricted funds.

NEW YORK

The State University of New York (SUNY), which has the largest number of students of any university system in the world, has had a reputation of being among the most — if not *the* most — bureaucratized university in the country. In 1984, the system chancellor, Clifton Wharton, organized a 15-member panel of distinguished citizens to examine the issue and propose ways to transform the university's relationship with the state. The panel's report was remarkably outspoken, to wit:

" ... [T]wo disturbing conclusions stand out when SUNY is compared with leading public universities in other states, and they form the major findings of this report:

1. In research and graduate education — areas that are crucial to the future well-being of New York's economy — SUNY's achievement is well behind that of leading public universities in other states and leading independent universities in New York.
2. The commission finds that SUNY is the most overregulated university in the nation. Given the vast array of laws and practices that govern New York State agencies, a fundamental and basic change in SUNY's structure is required to allow the university to carry out the function for which it was created. This commission has concluded that SUNY should be restructured in the coming year as a public-benefit corporation, under the SUNY board of trustees.

At present, SUNY lacks the flexibility to compete with leading universities in other states in recruiting — and retaining — top faculty and administrative talents. Overregulation weakens SUNY and deprives New York of benefits that other states realize from their public universities. It also results in waste and inefficiency in the use of state tax dollars.

In light of this commission's major findings, New York's promise that SUNY will provide a truly equal opportunity for higher education in the public sector must today be judged unfulfilled.

The state has entrusted its university with the education of a generation of New Yorkers, but state government does not trust SUNY's board of trustees, chancellor or campus presidents with even the most elementary administrative decisions concerning the institutions they have been asked to manage.

Sadly, and unintentionally, New York State has become an extreme example of what not to do in the management of public higher education.

Unanimously, the members of this commission believe that no great university, and no very good one, has been built or can be built under the state rules that presently govern the administration of SUNY. There is a clear choice before New York: The state can decide New York is not going to get a public university of high quality. Or it can change the rules. During the next decade, SUNY can become better, without necessarily growing bigger, by providing true equality of educational opportunity in graduate and professional education and by becoming an equal partner with other educational institutions in the cultural and economic development of the state.

However, this commission cautions New York State and SUNY that achievement of these goals in the future depends upon what is done today. It is our considered judgment that SUNY stands no chance to realize its potential unless there is change drastic enough to permit SUNY to carry out the functions for which it was created."[7]

That report came out in January 1985. By mid-1985, New York had passed legislation that granted trustees and administrators authority over areas of SUNY operations that other state agencies had previously regulated. On March 26, 1986, the SUNY Board of Trustees approved four measures to implement that legislation. They were:

1. Greater control over university personnel, purchasing, contracting and budget activities
2. Greater freedom for campus administrators to make personnel decisions in the professional and management ranks
3. Greater authority for local managers to contract for purchases and services
4. Local authority to reallocate financial resources to areas of greatest need within statutory limits as well as authority, also within statutory limits, to transfer funds among SUNY units to balance resources with educational needs.[8]

On October 21, 1986, in an attempt to capitalize on the new opportunity to move toward quality, the state university further proposed a major initiative in graduate education and research that would make SUNY competitive with the best public universities in the land. Four goals were established to be met over the next 10 years, including:

1. The establishment of multi-disciplinary centers of excellence on its doctoral campuses
2. Doubling the number of Ph.D. programs that rank in the top 10% in the nation in their discipline and doubling the number of others ranked in the top third
3. Doubling the real-dollar volume of externally sponsored research
4. Substantially increasing the enrollment of minorities in graduate and professional programs[9]

Other states are continuing to consider ways to give their universities greater management flexibility.

In Wisconsin, the newly elected governor, Tommy Thompson, supported the recommendations of a task force that would give the University of Wisconsin system increased management flexibility.[10] The governor's proposal relates to areas such as purchasing requirements, carry-forward of funds, ability to spend revenue when received, regent authority to set auxiliary fees and control of positions within the university.

INCENTIVE FUNDING AS PATH TO PROGRESS

Perhaps the most promising new form of initiative are state incentive grants designed to create university initiatives toward quality. One advantage of a focus that encourages leadership from within the university as opposed to mandates from without is that it allows for considerable variation and diversity among universities and among programs. This diversity is essential because the public needs and the students that universities must serve are so diverse. Diversity also allows, and even encourages, continuing innovation and change.

OHIO

In the past two years, Ohio has undertaken several new initiatives to enhance the excellence of the state's higher education system through the leadership of Governor Richard Celeste, the General Assembly and the board of regents. In 1984, the board of regents began two new programs: Eminent Scholars Awards, which must be matched by institutions from private sources, to establish endowments for distinguished faculty chairs in selected graduate programs; and Program Excellence Awards to reward undergraduate programs in the state's public colleges and universities. The Program Excellence Awards were intended to encourage state institutions to identify their best undergraduate programs in statewide academic competition for one-time enrichment grants. Both awards were competitive. Selection was made by the board of regents upon the advice of external review teams of distinguished scholars and business leaders from both within and out of the state.

In 1985, further changes in the state funding of higher education were made. The state made a commitment to stabilize the base support for public institutions and expanded the selective excellence initiatives to include five interrelated challenge grant programs.

- **Eminent Scholars**. An extension of the program initiated in 1984.
- **Program Excellence**. An extension of the program initiated in 1984.
- **Academic Challenge**. Unlike the Eminent Scholars and Program Excellence initiatives, this program is not a competition among public colleges and universities. Its purpose is to encourage institutions to set priorities among their programs and to build "centers of excellence" which serve the state's interests. The program provides each college and university a budget supplement of 1% or $50,000, whichever is greater. Programs designed by their institutions for increased funding would then continue to be funded for six years at the higher level through the state's subsidy formula.
- **Productivity Improvement Challenge**. This provides incentives for the state's community colleges, technical colleges and university regional

campuses to develop innovative approaches to increasing participation in postsecondary education, job training and retraining.

- **Research Challenge.** This program offers a partial state match of funding secured from external sources for basic research. The institutions themselves then invest these dollars in research projects of their own choosing to enable faculty to leverage support for emerging ideas of high priority.

Several features of these initiatives deserve attention.

- They are packaged as a major effort to connect excellence in higher education with the state's economic future.
- The supplemental programs are tied to efforts to sustain the base support for higher education and make up only 6% of the total state funding for higher education. A portion of the funding is awarded on a competitive basis and a portion on a noncompetitive basis to all institutions.
- The initiatives are intended to reinforce the diversity of institutional missions within the state, from the needs of the major research institutions to those of the community colleges, technical colleges and university regional campuses.
- Perhaps most importantly, the governor and General Assembly have given the program and the institutions that have won the competitive awards highly visible attention and support.

MISSOURI

Under the leadership of the Coordinating Board for Higher Education, Missouri has taken a series of steps since 1984 to improve the quality of higher education programs. Colleges and universities are urged to reallocate resources in investment areas important to the state's economic future and to adjust public college and university purposes to meet current and future state needs. A key element has been to achieve an explicit definition of the purpose and mission of each institution and then to relate decisions regarding the level of state support, program priorities and other policy decisions to that definition. In essence, in this approach:

- Each institution is requested to present institutional plans to the coordinating board, including priorities, programs in which the institution proposes to achieve excellence and plans for how it will achieve its priorities.
- The coordinating board initiated a comprehensive state-level program review process, focusing on the identification, satisfaction and financing

of state needs. After analyzing data on all four-year undergraduate programs, the board selected eight disciplines for further examination. Reviews of each of these areas were then spaced over a three-year period.

- The coordinating board initiated a program of Targeted State Investments — specific supplemental funding focusing primarily on the importance of higher education to the state's future economy. In effect, each institution is challenged to request funding that will both enhance its mission as well as make a unique contribution to state priorities as defined by the board. For fiscal year 1986, these included *improvement* of undergraduate education, *improvements* suggested by recent state program reviews and state manpower and research needs, and library *improvements*. The coordinating board reviewed each program as to its relationship to the institution's mission, the merit of the proposal itself and (a key factor) the extent to which the institution had actually reallocated funds to reflect its mission in the previous fiscal year. The process provides an explicit incentive for institutions to reallocate resources.
- If an institution continued a program that was determined in the program review process not to be needed in terms of state priorities, the state funding for the program was subtracted from the institution's budget.
- The coordinating board's budget recommendations to the governor and the legislature, then, directly reflected major state priorities for strengthening higher education, the newly refined institutional missions, the results of the state program review process, the commitments of institutions to reallocate existing resources and the plans of institutions to enhance the excellence of their programs through the Targeted State Investment funds.

As with the Ohio initiatives, the Missouri program makes an explicit connection between improvement in higher education and the future state economy. This reflected a central priority of Governor John Ashcroft who took office in January 1985. The initiatives also illustrate how a state can use a combination of regulatory authority for program review and budgetary incentives to promote reallocation of resources in line with refined institutional missions.

NEW JERSEY

Beginning in FY 1984, New Jersey moved from a formula-based funding system driven by enrollment to a "base-plus-priority" incentive funding system. The system works this way:

- Each institution is provided an appropriation equivalent to a negotiated base operating budget. This base budget is adjusted annually on the basis of negotiated salary increases and factors for inflation. No adjustments are made automatically for changes in enrollment as was done in the past.

- The Department of Higher Education provides "policy directions" which make it necessary for institutions to make reallocations within their base budgets. Because little discretionary money other than certain special project funding is available, institutions must reallocate funds to respond to changes. The department then adds to the on-going incentives for reallocation by setting policy parameters, such as the requirement that institutions spend no more than 75% of their base budgets on salaries. This has led to substantial sums being directed from salary to nonsalary areas.

- Incentives for reallocation are also tied to incentives for regional or shared programs. If an institution joins in a cooperative effort with another institution, for example, the institution decreasing its effort is able to retain the funds saved in its base budget, while additional funds are provided to the institution that will be the site of the cooperative program.

- Two types of incentive funding for quality programs have been established.

    - Competitive grants: for FY 1987, Governor Kean recommended $11.8 million for competitive grants to be administered by the Department of Higher Education. These are for areas such as computers in curricula, technical engineering education, humanities/foreign language and the Fund for Improvement of College Education. The latter program is funded through the state's higher education assistance authority. Funds received from competitive grants are not built into the institutions' base budgets; institutions must reallocate their base to maintain the newly established effort.

    - Governor's Challenge Grants: Initiated by Governor Kean in FY 1986, the program challenged each New Jersey public institution to be the "best" within its defined mission. Total funding of these challenge grants was $23 million in FY 1986 and $32.4 million in FY 1997.[11]

Other states reporting incentive programs include Colorado, Florida, Tennessee and Virginia.

UNIVERSITY LEADERSHIP IN BUILDING TRUST

Both the state and the university have a sizeable stake in the proper functioning of the governance system. All too frequently, however, university groups are willing to run to the legislature if confronted with an adverse decision. All too frequently, they are able to find a sensitive ear among local legislators. While these same groups would decry state intrusion in campus decision making, they often fail to see that they have invited the camel into the tent. Such appeals for intervention can quickly move from a rare occurrence to the normal way of doing business to the only way to get things done.

Breaking this cycle sometimes requires joint and determined action. One example of a successful effort to create a more disciplined approach from within the university occurred through the joint efforts of the governor and university president in California (see Chapter III).

The university can build trust and respect for autonomy by demonstrating understanding and shared responsibility for difficult problems that state officials face. Sometimes this takes finding a graceful way to solve a problem rather than force a confrontation. Take for example, the following letter from the president of the University of California to the Assembly Ways and Means Committee, in response to a demand to limit university salaries which the university felt violated its constitutional protection:

> "In recognition of the concern you have expressed and in view of the state's difficult fiscal problems, I write to express the university's willingness not to use state funds in 1983-84 to increase the salaries of the ... [senior university officials] by an amount greater than the average salary increase provided for all other university employees. ..."[12]

> In Maine, after several years of antagonistic relationships between the university system and the state, the newly appointed chancellor has expressed a new willingness to respond to state needs. In a recent interview with the *Chronicle of Higher Education*, the chancellor, after arguing that much could be done to improve the university but that the goal was not to create a huge center of research, commented: "Maine is not a rich state ... so your goals must be realistic. ... We're not going to build a Berkeley here." Following the recommendations of the Visiting Committee to the University of Maine, which reported in early 1986, the new chancellor is working to improve the definitions of campus missions, to strengthen the state's historic land-grant university at Orono and to encourage each campus to identify unique ways that it can serve the state's needs.[13]

As stated in Chapter III, state officials are concerned about the quality, roles and missions of their state universities. The National Governors' Association Task Force on College Quality recommended that more attention be paid to "the fundamental importance of undergraduate education," thus balancing out the pyramids of prestige.[14] One such successful effort occurred in Missouri.

> One of the regional universities, Northeast Missouri State, has spent the last decade developing its own means of assessing the quality of its undergraduate education through a unique "value-added assessment" of the impact of its programs on students. President Charles McClain used

the program to build confidence and win the trust of state officials and show that his institution was making a difference. Under the leadership of Shaila Aery, the commissioner of higher education, and with the support of the governor and legislature, the state has changed the university's mission from a regional to a statewide institution with a specific mission to be the state's "public liberal arts university." The new prestige of Northeast Missouri State has not only led to a rise in applicants but also has sparked a new interest on the part of the other Missouri regional universities in their undergraduate quality as well. Most important, it has given the campus a new sense of the importance of excelling at their mission rather than attempting to become another research university.[15]

The president of a four-year institution in another state testified on behalf of his university colleagues before a governors' blue-ribbon commission on higher education. The president emphasized to the commission that the state had proportionately fewer students enrolled in programs at two-year community colleges and technical institutes than many other states. He argued that the state should give more emphasis to two-year programs to balance its commitment to four-year universities. This kind of concern of university presidents for higher education beyond self-interest builds trust and confidence among those who represent the state.

THE GOVERNANCE STRUCTURE AS A POSITIVE FORCE

While systems of governance can be an impediment to quality (see Chapter III), they can also become a positive force enhancing the ability, the effectiveness and the responsiveness of the campus. What is the critical difference? Where should decisions be made within the system to make it more of a positive force? As we discussed these questions around the country, the following seven rules for effective system or governing board operation emerged as essential.

1. Leadership is needed, including the kind that establishes a clear vision of the role, mission and standards of the whole system as well as for each university campus and that recognizes the difference between them.
2. Political leadership is required from the heads of the governance structure, be it the system chancellor, the commissioner of higher education or the board chairman. This includes leadership in the establishment of a broad image for the whole of higher education as well as the individual university, the setting of appropriate expectations of higher education and of the university, the buffering of the campuses from inappropriate intrusion and — critically important — the support

of those at the campus level who take the risks inherent in bringing about change and improvement.

3. The system or board must set clear rules and priorities, including priorities for each campus.
4. The board must be willing to delegate the administration of the day-to-day affairs to the campus.
5. The system must be tolerant of, willing to preserve and genuinely appreciative of differences among campuses.
6. The system or governing board must enforce the rules that it sets for the campuses. There can be no end runs to the budget bureau or to local legislators to get special treatment for one campus over another.
7. The system or board must develop credibility both inside and out so that it can arbitrate among contending parties.

The operation of a multi-campus system, because of the further danger of submerging the identity and autonomy of the campus, requires three additional rules:

1. The chancellor must be perceived as an educator, not as a state official. Both the university system and the chancellor need a special aura to function effectively. In this sense, the chancellor is much like the chief justice of the state supreme court. Individual courts in the state are all part of the state's courts system, but we expect each of them to function independently and to render a decision in every case on an independent basis. Therefore, what is needed is a judicial system in which each court is seen as performing its own role as a part of an overall system in which the chief justice exercises broad authority. For the system to succeed, both the courts and the chief justice must have a special aura that makes plain that the courts are not just another government agency. So it is with the chancellor and the universities.[16]
2. The chancellor must see as one of the most critical tasks the nurturing of campus leadership. To assist this, policy decisions must be made in an open, participative mode.
3. Both the chancellor and the presidents must see that their roles are different but complementary. The problem is not to divide the leadership role with the right amount for each, but to enhance the total amount of leadership by enhancing the role of each within their proper spheres.[17]

Some form of governance is needed when many campuses must co-exist within a state. A multi-campus system or governing or coordinating board can be a positive force for institutional differentiation and campus quality. However, unless the tradition — that is to say the widely accepted view of the real mode of operation of the governance system — supports the above rules, the system will ultimately undercut the effectiveness of the campuses.

What became clear to us as this project progressed is that when states and when universities set their minds to it, there is literally an unlimited number of ways to make their interaction more productive. The approaches noted in this chapter have proved to be workable, but there are surely hundreds more that we have yet to discover.

NOTES

1. Several states, including California, Iowa, Delaware, Michigan, North Carolina and Utah, have been successful in creating such a climate over a number of years.
2. For details on several of these changes, see James R. Mingle, *Management Flexibility and State Regulation in Higher Education* (Atlanta: Southern Regional Education Board, 1983) and John K. Folger and Aims C. McGuinness Jr., *Catalog of Changes: Incentives for Quality and Management Flexibility in Higher Education* (Denver: ECS, 1984).
3. ECS Memorandum, "Major Provisions of H.B. 1187 — Reorganization of Higher Education," May 10, 1985.
4. Folger and McGuinness.
5. Mingle.
6. Folger and McGuinness.
7. Independent Commission on the Future of the State University, *The Challenge and the Choice: The State University of New York* (Albany, N.Y.: SUNY, January 1985).
8. News release, SUNY Office of University Affairs and Development, March 26, 1986.
9. News release, SUNY Office of University Affairs and Development, October 21, 1986.
10. Meeting in Madison, Wisconsin, between Frank Newman and the governor, legislative leaders and the president of the university, April 14, 1987. Governor Thompson rose above politics in this action in that he had just defeated his predecessor.
11. Because they had already developed improvement plans, Rutgers and

the New Jersey Institute of Technology (NJIT) received $8.7 million and $4.5 million, respectively, for FY 1986. These amounts were to be increased in FY 1987 to $13 million for Rutgers and $5.6 million for NJIT. The University of Medicine and Dentistry of New Jersey will receive $3.8 million in FY 1987. In addition, in FY 1986, each state college (other than Rutgers and NJIT) received a $10,000 planning grant to begin competing for part of a $10 million Challenge Fund. This planning process required that each college closely examine its mission, strengths and weaknesses, create a three-year institutional plan that would reshape the institution and submit a grant proposal based upon the plan. Two state colleges received challenge funding in FY 1986, and more will receive funding in FY 1987 and FY 1988.

12. Letter from University of California President David S. Saxon to Assemblymen John Vasconcelles and Robert Campbell, June 1, 1983.

13. "Three New Chancellors of State Systems Try to Balance Academic Autonomy With Inevitable Political Pressures," *The Chronicle of Higher Education*, January 21, 1987.

14. *Time for Results: The Governors' 1991 Report on Education* (Washington, D.C.: National Governors' Association, 1986).

15. Missouri Coordinating Board for Higher Education, *Strengthening the Investment in Missouri Public Higher Education Institutional Purposes* (Jefferson City, Mo.: MCBHE, 1984).

16. We are indebted to former Governor Joseph Brennan of Maine for the analogy.

17. "The [system leader] should have a broad vision of the system's role in meeting the higher education needs of the state and should encourage each component institution to develop and achieve its mission with appropriate independence. [This person] should recommend policy to the board and work with the [campus leaders] collegially in implementing board policy.

The chief executive officer of each campus has the delegated responsibility for implementing existing board policies and for recommending personnel matters and new policies to the board either directly or through a system executive. In addition, [this person] should create and maintain a strong vision and sense of common institutional direction and self-esteem. [His or her] primary responsibility is to administer the institution in so constructive a fashion as to enhance the possibility that it will achieve its total mission, including education, research and service, in accordance with state and federal laws and the policies of the governing board and within the resources made available to the institution" *(Governance of State Colleges and Universities: Achieving Institutional Mission*, AASCU, November 1984).

V. WHAT IS IT THAT MATTERS?

When one considers all of the evidence of the earlier chapters, what is it that matters in terms of building a constructive state/university relationship? We believe that the ingredients most necessary for success fall into three categories.

Aspiration. The most important ingredient is the aspiration to have a university — and, in fact, a system of higher education — of high quality. It is the most important because it is the wellspring from which all of the others flow. Unless there is a deeply held and widely shared aspiration to build a first-rate university, it will not happen.

Tradition. In states where the university is of high quality and where the state/university interaction is constructive, a web of relationships built up over time protects and encourages the university and yet ensures that the university is accountable. We would call this web tradition. A tradition of a constructive relationship may deteriorate or a tradition of a poor relationship may be improved, but the latter takes conscious effort.

Leadership. Leadership by the university president, the system chancellor, the board chairman, the governor, the legislators, the deans and the faculty is absolutely critical. Important aspects of this include a vision of what it is to have a great university, willingness to take those risks necessary to achieve that vision, an ability to empower others as leaders, willingness to work with others to bring about change and willingness to sacrifice short-term gains with ones constituency for the long-term effort to build excellence.

"States should lead, not regulate; challenge, not dictate; set initiatives and climate, but leave the institutions free to respond."

T. Edward Hollander

The crucial relationship between the state and the university should not be left to chance. It can be changed. There are states that have set about to improve the relationship with their universities, often with considerable imagination (see Chapter IV). Specific steps can be taken to improve the chances of success. Our suggestions for these are summarized at the end of this chapter.

A critical role for the states is to establish a climate within which the university and those within the university are motivated to achieve the highest-possible quality within the assigned and appropriate mission, with maximum efficiency. As New Jersey Commissioner of Higher Education Ted Hollander pointed out, "States should lead, not regulate; challenge, not dictate; set initiatives and climate, but leave the institutions free to respond." This is not an easy task.

How then does the state create the incentives for campuses to pursue their own sense of greatness, yet encourage them to stay within the boundaries of their appropriate mission? What incentives encourage legislators or state administrators to honor the plan that the university, the system or the board develops for growth in quality (assuming that it embodies the interest of the state) rather than to focus on narrow parochial interests?

What incentives encourage those on campus, as well, to avoid their own narrow self-interest? The merits of public-policy goals are not always seen immediately by the universities. For example, when states have proposed policies that favored broader access, efficiency, affirmative action, a focus on teaching and learning, economic development or the elimination of duplication or outmoded programs, these were, and are, often resisted by universities.

One saving grace is that, in the typical mode of academic change in the United States, when universities are prodded by external forces, the response is usually slow and sometimes aggravating, but in the end it is usually constructive. Universities often start out claiming the external pressure is an infringement of academic freedom, then gradually accept the need for action (claiming all the while that it won't work or would cost too much). In time they internalize the necessary change and ultimately claim the idea was theirs in the first place. While at first this seems more than annoying, it does work. It allows the university to take ownership of the ideas. It implies an openness, albeit grudging, to change. The result is that American universities are far more responsive to evolutionary change than their counterparts in Europe or Asia.

ASPIRATION

By far the most important ingredient of a successful effort to build a university of high quality is a common aspiration to that end.

> For example, the chancellor of one state's medical center and dean of the medical school on the eve of his departure captured the essence of the importance of aspiration.
>
> "In ... 40 years of intense development of public education, expectations for real excellence in public higher education have never been enunciated. They are not expected to be as good as the independent sector. That is the critical missing ingredient in [this state]. This is not a

> cry for more money, this is a cry for reform in the expectations by [the state's] residents and political leadership.
>
> It would follow that as soon as a clear message of expectation (not demand, just expectation) of excellence rang from all quarters of the state, these institutions would respond rapidly. No longer could there be tolerance of their status as patronage reservations for elected officials at all levels. No longer would critical budgetary decisions rest on the precarious balance of regional political logrolling, and no longer would judgments of individual institutions be made other than on their progress toward excellence.
>
> ... All that is needed for [the state] to add one more immense asset to help maintain its economic, social and intellectual future is the clear enunciation that the people and the leadership of [the state] expect nothing less than excellence in all that it does. The final steps toward greatness will follow rapidly."

To our surprise, we found over and over that both state governments and the universities often lack that aspiration. Our estimate is that **in more than half the states there is simply not the aspiration to build universities of the first rank. The aspiration to be second rate isn't worth much as a motivating force**. Some states seem afraid of having a great university for fear that it will become a political threat or an expensive habit. Some simply do not believe that they have within themselves the ability to be first class.

> An aide to a governor told us that the community and political leaders in his state do not believe it is in their power or even appropriate to build a great university. It is a populist state and in a peculiar way harbors an anti-intellectual strain. The result is an acceptance of the idea of limited aspiration.

By far the most important ingredient of a successful effort to build a university of high quality is a common aspiration to that end.

In one state after another, we ran into the question as to whether or not all 50 states could each have a great university, let alone more than one. That led us to raise with ourselves the question of how many first-rate state universities there can be? Is 100 too many? Is there a natural limiting factor, such as the availability of high-quality faculty, research dollars or of good students? Is there a limited demand for graduates of first-rate professional schools? We would argue, after examining this as carefully as we can, that **it is perfectly possible for every state university in our sample to improve — simultaneously — and that it is perfectly possible for each to aspire to be of as high a quality as the best of the current state universities**. We can find no evidence that would support the theory that there are limits preventing us from having 100 universities of high quality other than those inhibitions that states and universities create for themselves.[1]

A dilemma in dealing with the question of aspiration is that while a high level is essential to high quality, institutional aspiration is often the cause of much of the problem of mission overlap. What is needed, therefore, is a carefully constructed framework that allows institutions to aspire to improve their quality, to do more research, to attract better students — but within the boundaries of an appropriate mission. The state, through its appropriate governance mechanism,[2] must spell out these missions, as well as a framework that ensures that those within the university aspire to more than just quality. They must aspire, for example, to be efficient or to be responsive to the changing needs of the state.

These added conditions require the creation of a clear, idiosyncratic set of expectations for each campus. Aspiration should be the driving force for the institution but **within** the appropriate definition of purpose. The aspiration that drives the campus must be shared by the board, the system, the governor and the legislature if the state is to value and support the stated mission of the state university. If, instead, the university chooses to pursue it own goals, and the board and the state do not intervene, or if the state actually rewards some other mission at the expense of striving for quality, that is what the public will get — institutional overlap and lesser quality. There must be a clearly understood, shared set of expectations.

There is no reason why any state should settle for a second-rate university. In the nature of today's circumstances, a second-rate university will serve the real needs of a given state less and less as the competition for economic, political and cultural development accelerates. So each state government must ask itself whether it has set out clear, high aspirations for quality and whether the university understands and shares these aspirations for itself.

> One state in 1985 took a step toward enunciating its goals and aspirations in a *Report of the Higher Education Committee* to the General Assembly: "... [H]igher education is an essential engine for achieving the quality of life and economic opportunities desired by the citizens of [this state]. The goals of the state and of its higher education system are permanently connected. Our competitiveness as a nation depends more than ever on a quality higher education system within the state. There are, however, storm clouds over [us]. The turf wars of [our state's] higher education are being fought in the legislature and chronicled in the national press. Without change, our system will fail to attract educational leaders, higher quality faculty and, inevitably, will fail in its essential task of education. We are experiencing a spiral of decline in the public confidence necessary to support excellence in higher education."

How then are aspirations set? Can they be changed? How can they be changed? As noted above, a large number of institutions are indeed upwardly mobile in terms of quality. The force that brings this about is often quite different. In many states, it is the force of community pressure — the determination to move ahead as a state, as an economic community, as a cultural community — and the recognition that the university is central to this. In some states, that community pressure has become reflected in an understanding that pervades the board. Unfortunately, this is all too rare. In other states, the governor has stepped forward. (Some examples of this appear in Chapter IV.) In certain states, it is the president or chancellor of the state university system that has taken that leadership role. In the best of all worlds, it is a coalition of the board, the governor, the legislative leaders, a community group, the chancellors, the presidents. Because there is such a diversity among states and state universities, there are diverse forces that have brought forward the needed aspiration to quality.

Part of the difficulty in creating a powerful aspiration for having universities of high quality is that it is tied to the broader issue of the state's self-image. It is both a chicken and an egg issue. A state with a low self-image has a hard time imagining that it can create a university of the highest quality. On the other hand, the process of building a university of high quality is, in itself, a step toward improved state self-image. Clearly, for the states at the end of the line, improving the state's image of itself and improving the quality of the university must go hand in hand.

Does the level of aspiration affect the political relationship between the state and the state university? It appears that not only does a high level of aspiration improve the relationship but also that the opposite is true. A state that does not feel a university of high quality is an important goal is far more willing to burden it with intrusive behavior. It is breaking the cycle of cynicism and intrusion that is difficult.

TRADITION

Most academics are aware that there is something called a political culture. They know, for example, that some states tend to elect a governor or a legislature from one party rather than the other. They know that some states are known for their clean politics, others for their tendency toward patronage or other practices that clean states would frown upon. Yet few academics seem aware that the political culture also includes a tradition of how the state and the university interact. In some states the relationship seems more like an acrimonious marriage — a tradition of constant bickering, distrust, charges and countercharges. Whether the relationship is acrimonious or harmonious, it becomes, over the decades, a way of life, a tradition with a force of its own, a self-fulfilling prophecy.

> We were impressed with the ability of one state's major university to weather successfully the reign of a governor who was publicly antagonistic. How was it that the university could escape the open wrath of a man who came into office with the avowed intent of "getting" the university and had eight years in which to do it? To our surprise, we found that

quietly, in an unspoken way, without a campaign of any sort on the part of the university, the rest of the state government had rallied to the university's aid. Even the governor's finance staff told us of cases in which they had quietly preserved the university's autonomy and quality because as they pointed out, "This state needs a great university. We have one; we need to protect it."

It must be obvious that such a tradition encompasses a matching responsibility on the university's part. Can such a tradition of support for the university exist without a companion tradition of university service to the state? If the population is changing so that more minorities are involved, the university must be open to the idea that it has a responsibility toward those minorities. If the state's economy is threatened, the university has an interest in helping the state address economic development. If, instead, the pattern of university behavior is aloofness, arrogance and disdain toward the state government, the marriage is on its way toward deterioration.

Yet, just as is true in a marriage, a relationship can be improved by the conscientious effort of both parties. One problem is that there are few marriage counselors around for states and their universities, though there are groups that do care. On a few occasions, as word of this study spread, concerned citizens' groups have approached us with the question of how they might intercede to mitigate the tension in their state between the state and the university. One group of businesspeople felt their state was falling behind because they did not have a high-quality university. They saw the cause (as did we) as a poor relationship between the state and university and wanted to know what they could do to help correct it. In another, a group of community leaders felt that both the state and the university lacked any aspiration to improve things. But just as is true in the marriage analogy that no progress can come unless both spouses wish it, so it is with the university and the state.

LEADERSHIP

At every point in our study, the urgency of improved leadership became more evident. The improvement of the quality of a university does not just happen by some sort of natural evolution, or even by the expenditure of more resources. It requires those conscious, planned steps — focus on certain programs, raising standards for promotion and tenure, introduction of a means to evaluate teaching, establishment of requirements that demonstrate writing skills and literally hundreds of others — each of which is likely to offend some established interest.

Leadership is needed not only from the president of the campus but also others on the campus as well — the deans, the vice presidents, the faculty. This is equally true for the systems as a whole. Leadership is needed from the chancellor and the board. Leadership is needed from the governor, the legislators, the state higher education executive officer — leadership that creates and supports a climate of aspiration, that supports campus leaders who push for quality and that asks hard questions about the university's direction and level of excellence.

A good institution does not have a fixed amount of leadership, so that if the president exercises more, the deans or the faculty must exercise less. Rather, a good institution expands the amount of available leadership. It is important at every level to expand the exercise of responsible power (i.e., the ability to get things done) within the higher education system. If skilled leadership is present, power will be shared and more power will be created. Leaders must empower subordinates so as to enhance their ability to lead. The chancellor, for example, should try to expand the amount and quality of leadership exercised by the presidents. In some of the systems we studied, chancellors spent their energy trying to **reduce** the ability of the campus president to lead. The president should be trying to expand it among the deans and so on.

> As the report of one state's committee said, "... the university must have both a strong [chancellor] and strong [presidents]. ... In the past, the university has oscillated between efforts to strengthen and then efforts to weaken the functions of [the chancellor]. In part, the committee believes this oscillation is based on the notion that a strong [chancellor] weakens the roles of [the presidents]. This is not the case. A strong university leader and strong campus leaders are required for success."

The exercise of leadership is never easy. In understanding the process of leadership as it affects the state/university relationship, it is important to recognize that each party, including the university president, has constituents. The president's most important constituency is the faculty, a constituency usually more demanding, more vocal and less tolerant than that facing most political leaders. But legislators, governors, boards, state higher education officers all have their own constituencies. For the public interest to be served, each of them must take the risks necessary to lead their constituents to an effective sharing of the vision and to an understanding of the appropriate role that each group must play. Too often the failure of leadership to channel constituent pressures frustrates this.

John W. Gardner, founder of Common Cause, defined the relationship like this:

> "The leader-constituent relationship is at its best mutually nourishing, mutually strengthening. It is not a bland relationship. It is not without tension and conflict. One must not suppose that the ideal consists of leaders and constituents so deferential to one another that nothing happens. The ideal is leadership strong enough to propose clear directions and followers strong enough to criticize and amend — and finally enough community of purpose to resolve disputes and move on."[3]

All too often we have found that the state and system, instead of nurturing those presidents who take risks to improve the quality of their institutions, give them little support. In fact, such presidents are likely to pay a price. Similarly, those chancellors who have a clear vision and who are striving to build great institutions often do not get the support from their boards or from the state. They are attacked for offending some established interest as they challenge the status quo and, over time, are almost certain to be driven to distraction.

The same state committee report also said:

> "On at least two occasions in the past, presidents have undertaken extensive program planning, program differentiation and the sharper definition of the missions of the campuses. Their efforts failed . . . . For the most part, battles were never carried on within the formal structure of the university. Campuses that believed themselves threatened by presidential 'intrusions' harmful to their best interests took their cases out of channels to constituents, to influential legislators and even to individual [board members].
>
> . . . [R]egrettably, there now exists in the memory of the institution the view that 'end runs' are always possible. More than anything else, this explains why [the university] has oscillated between a 'strong executive' model and a 'weak executive' model.
>
> . . . [O]ften the efforts of presidents to exercise strong leadership have been frustrated by embittered critics on campus — who have not hesitated to go 'out of channels' to appeal an adverse decision or to fend off the initiatives of central administration. In subtle and not so subtle ways, the university becomes politicized, to its long-term detriment."

Leadership, therefore, must include the willingness of those off-campus to resist responding to such end runs.

For leadership to be effective, it must encompass more than just the daily administration of the campuses. A central task of leadership is the need for vision. What has most often held back many state universities is simply the lack of any sense of what the vision is for the university. Take, for example, the following findings from a recent blue-ribbon commission on a state university system:

> "The lack of clear statements of mission for each institution and for the system as a whole has contributed to the lack of understanding as to the responsibilities of the officers of the system and of the campuses. The subtleties that inhere in the delicate organism of an educational institution do not lend themselves to chains of command. . . .
>
> In a period . . . that has been notable for frequent administrative turnover on the campuses, the absence of a clear vision of the total enterprise has probably exacerbated . . . tensions" . . . between the central office and the university campus where presidential turnover has been great.

It is also important that this be a shared vision, articulated clearly and repeatedly so that it is built into the consciousness of all parties. It requires a bonding of beliefs and action.

The Advisory Panel on the Future of Higher Education in one state acknowledged that the people of the state possessed "important intangible resources that ... include a fierce pride, a will to carry through even in the face of adversity and shared community spirit that places the common good above parochial interest." None of the other states have "people with the level of spirit, pride and determination [that the panel] saw in such abundance." However the panel also warned clearly and directly:

"To all whose decisions shape higher education, we say — repeatedly — in our report: [Your state] needs above all a shared vision of what it wants from its colleges and universities, and from the board ... and its commissioner."

Furthermore:

"We find that [your state] does not have in place a system of higher education equipped by tradition and public understanding to deliver the range and quality of education and services needed by citizens as the state enters its second century. ... [Your] key leaders ... are not working in concert to strengthen higher education or to increase the confidence of the people in higher education. [The state's] pressing financial difficulties have served to aggravate this condition. Each campus relies on its own legislative support base, and communities compete without a vision of the whole. ... The situation ... has been complicated by the location's of campuses, population patterns, the aspirations of colleges and universities and the absence of clarity about how each is to mesh with the others."

When it comes to planning for the future of this state's higher education, the panel tells us that it has:

" ... [N]o tolerance for 'master plans' that give the impression of a job done once and for all. ... The undertaking [of the planning process] itself is continuous. ... A process such as this, far from developing plans as blueprints for action, becomes a way to extend vision, to imagine how to cope with the many uncertainties that lie ahead and to make decisions now that will help realize future goals."

And finally:

"Leadership is required at all levels if the colleges and universities are to become strong partners in the building of a brighter tomorrow. All parties to the higher education enterprise must become stronger, better leaders.

Cooperation, not coercion, is required. Leadership from one group

> that works against another is counterproductive. The college campus is unlike any other state agency, or business for that matter. No one can coerce a professor to give a quality performance. The desire to excel comes from deep within; it is to be nurtured rather than commanded. So it is at every level in the world of higher education."

But to merit this support, the campus must be aware of the broader social framework within which higher education operates. Despite the emphasis state universities place on service, presidents and even chancellors do not always pay attention to what is happening within the state that ultimately will affect the campus. If a state is faced with a declining industrial base, a shift in the nature of the state's population, a rise in the numbers of at-risk youth or an erosion of the tax base, these must, at a minimum, be seen and understood by the campus.

> In one state, three of the university's colleges of agriculture, an agricultural experiment station and the cooperative extension service were sued on behalf of small, noncorporate farmers for turning their research into practical applications that would benefit major agribusiness corporations while helping to put the small farmer out of business. Naturally, there are two sides to every such case, but certainly farmers and farm workers believed the state's schools were not paying attention to their needs.[4]

> In another case, one commentator on the American scene (a former state governor) called for major reforms of our schools, even to the extent of creating "a network of alternative schools to educate those students who would otherwise drop out of school." His implication was clear: The nature of the world economy is changing with great rapidity, but our schools are too slow to respond and must exhibit more flexibility in meeting state, national and international needs.[5]

It is essential that the campus leadership must help bring the university and the higher education system into harmony with the state's needs. Campus leaders must not only treat these problems with the respect and concern that they deserve, they must also treat state leaders with respect and concern. Too often, university leadership treats these leaders at best with patient indifference and at worst with arrogance and aloofness.

For every state, ... there is an urgent requirement to take every feasible step to improve the quality of its universities. ... Surely the same sense of urgency must energize the university, for its stake is no less profound than that of the state.

WHAT MUST A UNIVERSITY DO TO BE GREAT?

How then can states and universities encourage a positive relationship and an evolution toward quality? From this study, we would suggest the following ground rules for universities that wish to move toward higher quality.

1. The university must have a sense of its niche, its particular role among other institutions of higher education, its particular programs and characteristics in which it will be outstanding. It must focus its resources on these areas and recognize that no university ever moved to greatness by trying to be everything to everybody. It will not spend its resources where it does not aspire to greatness.

2. While it must succeed at the task of research and graduate education, it must also devote the energy to excel at undergraduate education.

3. The university must create a climate that will attract a president, deans, faculty and students of high quality. It must be a place where people of diverse backgrounds involve themselves in teaching and learning, research and scholarship with the shared expectation of high standards. But the expectation of high standards must not stifle the taking of risk and the exploration of new ideas. So the university must be supportive — at all levels — of carefully thought-out risk-taking.

4. The university must move to ensure freedom for all points of view on campus, first by restating clearly and unequivocally the responsibility of the university to be open to all views, including the unpopular, and then by acting to exercise that right and responsibility so that it does not wither.

5. Campus leadership must have the courage to set standards, evaluate results, eliminate outmoded or ineffective programs and search relentlessly for ways to improve.

6. The university must take those actions that are needed and responsible so that state frustration does not lead to inappropriate actions. Academics need to remember that, left without a solution to a pressing problem, the political system will create one.

7. The essential exercise of institutional striving must take place within a clearly understood mission that is shared with the board and the state and must avoid constant attempts to subvert that mission for reasons of self-interest.

8. The university must take the state leadership seriously, must recognize the state has legitimate interests and an important role in higher education. It must understand the needs of the state and work diligently at adapting the university to help achieve these.

WHAT MUST A BOARD DO TO ENCOURAGE A UNIVERSITY TO GREATNESS?

1. The agenda is an important key. Boards should be sure that their agenda focuses on policy and not on issues of daily management. A critical board function is to ask the hard but fundamental questions: Is quality improving? Is the quality of the faculty improving? Who is admitted and why? How does the administration know how much students are learning? How many of those who enter complete their studies? How many Blacks and Hispanics enter and complete? How is the university contributing to the state's economic development? Does the flow of the university's resources match its priorities?

2. Boards must think about how their action will affect the presidents and other institutional leaders. They need to act in ways that encourage their chancellor or president to take intelligent risks in order to attack the difficult problems that stand in the way of reaching high quality, such as the reallocation of resources. In encouraging such risk-taking, boards must recognize that they are not just supporting the president but committing themselves as well. Boards can use their program review and budget authority to reinforce presidential efforts to improve the university.

3. Boards need to spend some of their time seeing actual programs and real, live students. Too often they deal in abstracts. They need to refresh their understanding of and commitment to the purposes of the university, the nature of students and the nature of faculty.

4. A system of pre-screening of board appointments is essential to quality.

5. Boards need courage — courage to challenge the institutional leadership with the right questions; to challenge the political leadership when inappropriate intrusion occurs; to challenge the state to address important problems through appropriate use of the higher education system; and to be self-disciplined enough to avoid getting into the wrong issues.

WHAT MUST A SYSTEM DO TO ENCOURAGE A UNIVERSITY TO GREATNESS?

1. The system must support and enhance campus leadership, including support of risk-taking and the striving for quality.

2. The system must buffer the campuses from inappropriate intrusion and not create more of its own.

3. With the participation of the board, the campuses and the state government, the system must create clear, specific missions for each campus and enforce them.

4. The system must work out long-term corrections for geographic mismatches.

5. The system must provide the flexibility and autonomy necessary for campuses by delegating to them matters of daily administration.

6. The system must demand and get from the institutional leadership the answers to those critical questions that sum up to the accountability to the public and that allow the system to delegate the responsibility for daily administration to the campus.

7. Where necessary, the system must campaign to eliminate unnecessary bureaucracy from the state or from itself.

8. The system must be a force for continuing change to ensure that the university continues to evolve to meet the needs of the state and that it constantly moves toward higher quality.

WHAT MUST THE STATE DO TO ENCOURAGE A UNIVERSITY TO GREATNESS?

1. The state should create incentives to ensure needed decisions that should be made on campus are made there and resist the temptation to make them by legislative mandate. Only a few aspects of university quality lend themselves to mandates, and these usually involve larger social issues.

2. It should take clear steps to reduce unnecessary regulation or cumbersome bureaucracy while defining more clearly campus responsibilities.

3. It should insist that the appropriate planning body establishes, with the participation of the campuses, clear, appropriate, understood and shared missions for each campus that meet the current and anticipated needs of the state.

4. The state government must support, by recognition and incentives, the differing missions and, by encouraging different pyramids of prestige, support the value of different types of institutions.

5. Legislators should avoid joining with local campuses to subvert a rational statewide plan for the development of higher education.

6. The state government should ensure that the form of funding for the university meets state purposes and does not create wrong incentives or punish sensible behavior.

7. The governor and legislators must support boards, chancellors and presidents who take the risks inherent in building a great and responsive university and analyze state actions to prevent unthinking disincentives to risk-taking. State leaders can use public recognition to encourage appropriate behavior.

8. The state should set the agenda for quality by actions and speeches of the governor and legislators. It should make plain to the public that the community needs a great university and to the university those areas of public need that must be addressed.
9. Those in state government should use information wisely by monitoring the more important issues that bear on public needs (such as the enrollment rates of minorities or the rates of completion of students), taking care to obtain relevant data and recognizing the need for multiple and nonsimplistic indicators.
10. The state must believe in and insist on a university of quality.

HOLDING RESPONSIBILITIES IN TRUST

The major state universities hold in trust for the American public important responsibilities. There are expectations that the universities will foster the evolutions of our economy and spearhead our scientific and technological advance so we may remain leaders in an ever more demanding world. The public expects as well that, unlike universities elsewhere, ours will provide a pathway to social mobility for all people with ability and determination, not just those from privileged families. Universities are also expected to be great centers of thought and culture that are part of and not aloof from society.

As the United States moves toward the 1990s, these roles are more needed than ever. For every state, even the most bountifully endowed, there is an urgent requirement to take every feasible step to improve the quality of its universities. Surely the same sense of urgency must energize the university, for its stake is no less profound than that of the state. It is not simply that the state university has a responsibility to respond to the needs of the state (which we would argue it does), but that as a center of intellectual effort, the university — as a fundamental aspect of its nature — should be constantly attempting to understand its own workings and to improve and move forward.

The purpose of this study has not been to point fingers, but rather to assist in that shared responsibility for improving American higher education. In the relationship between state and university, there is much that is wrong and much that can be done. But there is far more of which we should be proud and upon which we can build. By openly discussing both aspects, by seeking new and better approaches, we believe significant gains can be made.

NOTES

1. In some states, the belief that a first-class university could be built would require a change in the state's belief in itself, some resources and a decade or better of hard work.

2. The state must make plain the university's mission and reward efforts to improve quality through its financing policies, the process for presidential and faculty evaluation and the use of measures used to judge institutional performances.

3. John W. Gardner, *The Moral Aspect of Leadership*, one of a series of papers on leadership, January 1987.

4. The opposite view was expressed by the new chancellor of the University of Maine when he was chided on the university's Maine Lobster Institute: "Don't laugh. For us, lobster is an important part of the economy. And this university should be, and is going to be, a part of it" ("Three New Chancellors of State Systems Try to Balance Academic Autonomy with Inevitable Political Pressures," *The Chronicle of Higher Education*, January 21, 1987.)

5. Former Colorado Governor Richard Lamm, speech to the American Association of Colleges for Teacher Education, June 1984.

APPENDIX 1

STATE UNIVERSITIES INCLUDED IN THE STUDY[1]

University	Enrollment[2]	Constitutional Status[3]
Alabama		
Auburn University, main campus	18,888	1
University of Alabama, Tuscaloosa	15,145	1
University of Alabama, Birmingham	13,517	1
Alaska		
University of Alaska, Fairbanks	4,787	1
Arizona		
Arizona State University	40,223	2
University of Arizona	30,460	2
Arkansas		
University of Arkansas (main campus)	14,890	1
California		
University of California (UC), Berkeley	31,008	1
UC, Davis	19,540	1
UC, Irvine	12,684	1
UC, Los Angeles	34,504	1
UC, Riverside	4,855	1
UC, San Diego	14,303	1
UC, Santa Barbara	16,936	1
UC, Santa Cruz	7,137	1
Colorado		
Colorado State University	18,094	
University of Colorado, Boulder	22,299	1
University of Northern Colorado	9,287	

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[1] This is not intended as a judgment of institutional quality, nor is the fact that an institution is omitted from the list a judgment about its potential as a university. Because we wanted to include universities from all states, some of the better known and larger institutions are not on the list.

[2] Enrollment as listed in *Higher Education Directory*, 1986 Edition.

[3] Universities with separate or multi-campus boards are listed as having constitutional status 1; universities in a statewide system under a governing board have constitutional status 2.

Connecticut		
University of Connecticut	22,976	
Delaware		
University of Delaware	18,083	1
Florida		
University of Florida	35,361	
Florida State University	20,491	
Georgia		
Georgia Institute of Technology	10,958	2
University of Georgia	25,230	2
Georgia State University	21,366	2
Hawaii		
University of Hawaii, Manoa	20,966	1
Idaho		
Idaho State University	7,103	2
University of Idaho	8,970	2
Illinois		
Illinois State	20,903	
Northern Illinois	23,500	
Southern Illinois University, Carbondale	22,874	
University of Illinois, Chicago	24,799	
University of Illinois, Champaign-Urbana	34,760	
Indiana		
Indiana University, Bloomington	32,715	
Purdue University	31,108	
Iowa		
Iowa State University	26,536	
University of Iowa	30,629	
Kansas		
Kansas State University	18,092	2
University of Kansas	24,219	2
Kentucky		
University of Kentucky	20,637	
University of Louisville	19,794	
Louisiana		
Louisiana State University	30,596	1
Maine		
University of Maine, Orono	11,180	
Maryland		
University of Maryland, College Park	38,307	

Massachusetts		
University of Massachusetts, Amherst Campus	27,156	
Michigan		
Michigan State University	42,193	1
University of Michigan	34,593	1
Wayne State University	29,070	1
Minnesota		
University of Minnesota	64,179	1
Mississippi		
Mississippi State University	13,292	2
University of Mississippi	8,715	2
Missouri		
University of Missouri, Columbia	23,410	1
Montana		
Montana State University	11,035	2
University of Montana	9,213	2
Nebraska		
University of Nebraska, Lincoln	24,288	1
Nevada		
University of Nevada, Reno	9,891	2
New Hampshire		
University of New Hampshire, Durham	12,314	
New Jersey		
Rutgers University, New Brunswick campus	33,048	
New Mexico		
University of New Mexico	24,610	1
New Mexico State	12,786	1
New York		
State University of New York (SUNY), Albany	15,938	
SUNY, Binghamton	11,964	
SUNY, Buffalo	23,036	
SUNY, Stony Brook	15,160	
North Carolina		
North Carolina State	23,602	2
University of North Carolina, Chapel Hill	21,612	2
North Dakota		
North Dakota State	9,453	2
University of North Dakota	11,053	2

Ohio		
Bowling Green (main campus)	17,104	
Kent State University (main campus)	20,324	
Miami University, Oxford campus	15,420	
Ohio State University (main campus)	53,446	
Ohio University (main campus)	14,684	
University of Akron (main campus)	26,644	
University of Cincinnati	30,830	
University of Toledo	21,039	
Oklahoma		
Oklahoma State	21,931	1
University of Oklahoma	22,907	1
Oregon		
Oregon State University	15,624	
University of Oregon	15,840	
Pennsylvania		
Pennsylvania State University	34,401	
(Temple University)[4]	39,956	
(University of Pittsburgh)[4]	29,197	
Rhode Island		
University of Rhode Island	13,965	
South Carolina		
University of South Carolina	23,300	
Clemson University	12,926	
South Dakota		
South Dakota State University	7,815	2
University of South Dakota	6,940	2
Tennessee		
University of Tennessee, Knoxville	27,018	
Texas		
Texas A and M University	36,827	
University of Houston, University Park	31,114	
Texas Tech University	23,433	
University of Texas at Austin	47,973	
Utah		
University of Utah	24,911	
Utah State University	11,849	
Vermont		
University of Vermont	10,907	

[4] Temple and the University of Pittsburgh are "state-related" and not fully state owned and controlled.

Virginia		
University of Virginia	17,143	
Virginia Polytechnic University	17,143	
Virginia Commonwealth University	19,773	
Washington		
Washington State University	16,459	
University of Washington	34,452	
West Virginia		
West Virginia University	20,624	
Wisconsin		
University of Wisconsin, Madison	44,500	
University of Wisconsin, Milwaukee	26,467	
Wyoming		
University of Wyoming	10,270	1

APPENDIX 2

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IMPROVING TRUSTEE SELECTION

The following 18 recommendations are excerpted from *Recommendations for Improving Trustee Selection in Public Colleges and Universities, A Report From the National Commission on College and University Trustee Selection*, Association of Governing Boards of Universities and Colleges, 1980.

1. Trustees of public governing boards should be appointed by the governor or other established authority (legislatures, mayors, county commissioners, local boards, governing boards, etc.) from a list of nominees who have been carefully screened by a special committee.

2. A nominating committee for each institution should be appointed by the governor. It should consist of at least five people, and its composition should take into account the diversity of the state, region or local community the institution primarily serves.

3. The nominating committee should have carefully delineated responsibilities. Among these should be:

   - To assess board membership needs in terms of background, skills and diversity (ethnic, racial, sexual, age, geographic, social and political)
   - To consult with trustees and the chief executive
   - To determine which of the basic board responsibilities needs to be stressed in a given appointment and balance this need with the assessment of the board
   - To conduct a broad search for qualified candidates
   - To screen candidates for nomination, including review of trustees eligible for reappointment

4. The search for qualified candidates should be continuous. It should include four steps.

   - Identification of the statutory and other qualifications necessary to be a trustee of each particular institution
   - Publication of the process (time limits and deadlines) under which the search functions

- A broad call for prospective candidates for nomination, including consultation with the president, administrators, faculty, students and each board member to ascertain membership needs
- Identification of candidates for trusteeship by members of the nominating committee

5. Qualified candidates should be carefully screened. The screening of candidates should involve at least five steps.
   - Analysis of biographical information
   - Review of supporting documents provided by nominators
   - Identification of a group of "finalists" whose personal and professional background and sense of commitment can be proved in more detail
   - Interviews with each of the finalists to (1) determine their interest and knowledge of the institution and trusteeship; (2) assess their individual skills, abilities and personal characteristics to determine how they would benefit the board; and (3) explain the requirements of the trusteeship
   - Preparation of a statement on each person to be recommended, specifying the reasons why the person would be a good trustee and what particular board need(s) would be filled by his or her appointment
6. The committee should make at least three nominations for each vacancy from which the governor or other appointing official must make the appointment.
   - If none of the nominees is acceptable, the committee should be given an opportunity to consult with the appointing authority to learn why the three nominees are unacceptable and should then submit three more names.
   - Incumbent trustees should continue to serve until their successors are appointed.
7. The state senate should have the opportunity to confirm trustee appointments and should use this opportunity for substantive, nonpartisan review.
8. New trustees should be provided with a systematic and thorough orientation program. The following elements should be included.
   - Briefing on the obligations and responsibilities of trusteeship
   - The opportunity to become more fully acquainted with the institution's missions, plans, problems, weaknesses and strengths, and future prospects

- A tour of the campus, including meetings with administrators, faculty and students
- The opportunity to meet and exchange views with trustees of the institution outside of regular board meetings and, ideally, the opportunity to do the same with trustees of other institutions
- A review of the structure of the board showing how the new trustees' area(s) of expertise and interest fit in

9. When elected public officials are members of governing boards, they should be *ex officio* and without voting privileges. Although the commission is convinced of the potential usefulness and appropriateness of having the views of public officials when boards deliberate, no board should have more than two such officials.

10. Political party affiliation should not be a criterion for appointment.

11. There should be no residence requirements which prevent qualified people from serving on governing boards.

12. Governing boards should have at least nine voting members whose terms should be appropriately staggered.

13. Trustees should be appointed for terms of not more than six years and should not serve for more than 12 consecutive years.

14. Students should not be voting members of the governing boards of the institutions in which they are enrolled.

15. Faculty members should not be voting members of the governing boards of institutions by which they are employed.

16. Governing boards should adopt a code of conduct for trustees which specifies board duties and responsibilities and establishes procedures for dealing with potential conflicts of interest.
    - The code should specify the duties and responsibilities of the board and its individual members.
    - The code should include provisions for compliance with the conflict-of-interest policies and disclosure forms developed by the state or the governing board.
    - Trustees should not participate in discussion or vote on issues where a potential conflict of interest has been identified.

17. In states where trustees are elected by the public, nominating committees, as specified in recommendations 2 through 5, should be appointed to assure that all candidates on the ballot are highly qualified.

18. Trustee elections should be timed to coincide with other local or general elections.

APPENDIX 3

TWO VIEWS OF STATE UNIVERSITY GOVERNANCE

In reacting to an early draft of this report, two authorities, Lawrence K. Pettit, chancellor of Southern Illinois University, and Stanley O. Ikenberry, president of the University of Illinois, wrote insightful comments to Frank Newman about variations in state university governance.

Lawrence K. Pettit
(Excerpt from letter
to Frank Newman,
dated March 18, 1987):

A. At one extreme are those whose objectives are the "public interest" and the application of state policy. This would include the governor, legislature, legislative staff and state agencies. These are clearly external to higher education, and they have no legitimate role in the governance and management of colleges and universities.

B. Next are the state coordinating boards and agencies. They are state agencies, but for higher education. They usually are viewed by each as the advocate for the other. ... Even when they have strong coordinating powers, such boards/agencies still are external to the governance and management of the state's universities. Any intrusion on their part into the internal affairs of colleges and universities would constitute state intrusion.

C. Next are consolidated governing boards with "weak" executives — that is, with executive secretaries who do not have line authority over campus presidents. Examples are Iowa, Kansas, Idaho and Arizona. These boards and their executive officers are internal to higher education, but often viewed by the campuses as "external" authorities. The weak executive does not have inherent executive authority, but only that which he exercises on behalf of the board. He is not accountable for what happens on the campuses; only the presidents are. It is inappropriate, therefore, for the "weak" executive to become very much involved in "campus matters."

D. Next along the continuum are the consolidated statewide governing boards with "strong" executives, i.e., chancellors/presidents (and in Montana, "commissioner") who have line authority over campus presidents/chancellors. These boards and their chief executive officers (CEOs) differ very little from less-than-statewide multicampus systems in the legitimacy of their governance and management responsibilities. Here, the chancellor is head of the administration rather than simply chief of staff to the board, he has executive authority inherent in his role as system CEO, and he is accountable administratively for what occurs on the campuses. It is not inappropriate, therefore, for him to be concerned with and to some extent involved in "campus matters." While the "weak" executive, described above (C), would not become involved in campus administration any more than would the board itself, the "strong" executive, described here, must be so involved. ... The problem is that no one has ever defined what is appropriate and what is not in the exercise of this kind of executive prerogative; there are no agreed-upon standards. ... Some of the obvious examples of this "strong" executive model are Wisconsin, North Carolina, Georgia, Maine and (by policy, if not inclination) Montana. Somewhere between the "weak" and "strong" models are North Dakota, Rhode Island and Mississippi. ...

E. Moving along the continuum away from the state end and toward the campus end, the next model would be the less-than-statewide multi-campus systems (Universities of Illinois, California, Maryland, Alabama and Missouri, Southern Illinois University, SUNY, CUNY, University of Massachusetts, etc.). The assumption is that [most] such systems have CEOs with line authority over the campus presidents. ... These multi-campus systems (E) are like the "strong" executive state systems (D), except that they coexist with other systems and institutions within their respective states and, in addition, must deal with a state coordinating board/agency. There is, in the coordinating agencies, a buffer between these chancellors and the political branches of state government, a buffer that the statewide governing CEOs do not have. This distancing from government makes it easier for these chancellors to be readily acknowledged as internal higher education authorities than for their statewide colleagues, who often get categorized mistakenly with state coordinating agencies.

F. Finally, at the other end of the continuum is the campus president.

Stanley O. Ikenberry
(Excerpt from letter
to Frank Newman, dated
March 18, 1987):

> [O]f all the systems of governance, the multi-campus system in one form or another is now the most common in public higher education; the day of a freestanding campus with its own governing board is more and more the exception than the rule. ... [T]he term "multi-campus systems" includes a multitude of quite different organizational entities. There is what might be described as a "Type A" multi-campus model that might include SUNY, Wisconsin, North Carolina and the California systems. A "Type B" model represented by places such as Indiana University, Penn State, Illinois, Ohio State and others suggests a multi-campus system that is much smaller, less complex in some respects, with a clear center of gravity in a flagship or

central campus as in the case of Bloomington, State college, Urbana-Champaign, Columbus, etc. Perhaps there is also a "Type C" multi-campus system in which relatively autonomous campuses report to a single governing board, as is illustrated in the case of Iowa or in the case of Illinois in our board of governors and board of regents systems, or perhaps by the board of regents system in West Virginia.

The differences among these three different types of multi-campus systems are so substantial that I suspect it is hazardous to make generalizations about governance, administration and political intrusion without clarifying the type of multi-campus system being talked about. In the case of Type B systems, for example, and to a certain extent Type C as well, they tend to operate as if they were not systems at all but, as we used to say at Penn State, "one university geographically dispersed." I doubt that the University of California, and certainly SUNY, any longer thinks of itself as "one university geographically dispersed," while at the same time I suspect that Penn State, Indiana, Illinois and many others do view themselves in this fashion.

Resulting are some significant implications for the roles of presidents and chancellors and the general impact of the university, the campus and state government.

Incidentally, there are so many exceptions and contradictions that we usually tend to say that the titles chancellor and president are used interchangeably, and yet I have a hunch that a careful analysis of the use of these titles might yield some insight. While there are many exceptions to the rule, my experience is that there is a tendency for universities to use the title president to identify the chief executive officer — be it at the campus or statewide level — and to use the title chancellor at the campus level to denote the chief operating officer, or at the system level to identify the chief coordinator/manager of the system. California, Illinois, Indiana, etc., retain the title president for the chief executive officer of "the university," while the use of the title president for the campus heads in the SUNY system may be a deliberate effort to convey a greater sense of campus autonomy and a looser system. The same is illustrated in the case of Southern Illinois University, for example.

The diversity of models within the multi-campus system nomenclature and the confusion in the use of president and chancellor titles make it difficult to talk and write about the subject. [One] ... should avoid falling into the trap of appearing to endorse either centralization or decentralization of decision making. In greater specificity about effective functioning, my own view is that day-to-day management of academic programs, including appointments and promotions, the development of the curriculum, the management of campus life, etc., are functions that lend themselves to a high degree of decentralization, given careful oversight and awareness from the central office. Somewhat more centralized controls, however, probably need to be exercised in terms of fiscal controls, the relationship of the university system to the outside world, particularly the general assembly, the weighing of priorities, etc. Whatever the division of labor, it is true that this should define the distribution of staff.

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